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Regulations

TITLE 7—AGRICULTURE

Chapter I—Agricultural Marketing Administration

Subchapter A—Commodity Standards and Standard Container Regulations

PART 26—GRAIN STANDARDS

AMENDMENT FIXING FEES AND CHARGES IN AN APPEAL OR A DISPUTE

By virtue of the authority vested in the Secretary of Agriculture by the United States Grain Standards Act (39 Stat. 482, as amended: 7 U.S.C. 1940 ed. 71–87), the following amendment to Title 7, Chapter I, Part 26, Code of Federal Regulations (7 CFR and 1939 Supp., Chapter I, Part 26, as amended and supplemented by 5 F.R. 2883 and 6 F.R. 417, 2675), is promulgated effective October 1, 1942.

Section 26.74 is amended to read:

§ 26.74 *Fees and charges.* The fee in an appeal or a dispute shall be fixed as follows:

(a) For bulk or sacked grain in carload lots, $2.00 per car;

(b) For bulk or sacked grain in a wagon or truck or in a lot of 75 sacks or less, $1.00 per wagon, truck, or lot;

(c) For a submitted sample or package of grain, $1.00 per sample or package;

(d) For all lots of grain other than those referred to in (a), (b), and (c) of this section, $1.00 per one thousand bushels or fraction thereof, with a minimum fee of $2.00.

Charges may be made for telegrams, express, parcel post, registry fees, travel expenses, and other items paid or incurred by the Department on account of an appeal or a dispute and for oral hearings, as will reimburse the Department; all such additional items to be determined by the Administrator. Unless otherwise stated in the findings in any appeal, the fee as prescribed by this regulation and no further charges, shall be deemed to be fixed and assessed.

Done at Washington, D. C., this 7th day of September 1942. Witness my hand and the seal of the Department of Agriculture.

[SEAL] PAUL H. APPLEBY,
Acting Secretary of Agriculture.

[F. R. Doc. 42-8869; Filed, September 8, 1942; 11:42 a. m.]

Subchapter C—Regulation Under the Farm Products Inspection Act

PART 51—FRUITS, VEGETABLES AND OTHER PRODUCTS (INSPECTION AND CERTIFICATION)

AMENDMENT CHANGING BASIS FOR CHARGES

By virtue of authority vested in the Secretary of Agriculture by law (50 Stat. 730, sec. 12, 7 U.S.C., 499n), the following amendment, to become effective 30 days after the date of approval, to Title 7, Chapter I, Subchapter C, Part 51, Code of Federal Regulations, as published in the FEDERAL REGISTER on December 31, 1941 (6 F.R. 6817) is promulgated:

Section 51.36 is amended to read:

§ 51.36 *Basis for charges.* The fee for each lot of products inspected by a salaried inspector acting exclusively for the Department of Agriculture, except for peanuts, pecans, and other nuts, and except under the provisions of § 51.19, shall be on the following basis: For an inspection covering quality and/or condition, $4 when the quantity involved is more than ½ a carload of the customary size for such products in the area from which shipped but not more than a full carload, and $2.50 when the quantity involved is not more than ½ of such a carload, but the maximum fee for any carload not exceeding the customary size shall be $7.50. For each lot of peanuts, pecans, or other nuts inspected, except under § 51.19 the fee shall be $5 when the quantity involved is not more than a full carload, provided that different grades and varieties of peanuts shall be considered separate lots. When the lot involved is in excess of a carload the quantity shall be calculated in terms of carloads and fractions thereof of the customary size for such carloads and the carload rates aforesaid applied provided that said fractions shall be calculated in terms of fourths or next higher

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FEDERAL REGISTER

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fourths. When inspections are made on which formal certificates are not issued, as provided in § 51.19, or when the products inspected cannot readily be calculated in terms of carlots, or when the services rendered are such that a charge on the carload basis would be inadequate or inequitable, charges for inspection may be based on the time consumed by the inspector in connection with such inspections, computed at the rate of not to exceed $2 per hour, or the charges may be based upon the number of pounds or number of containers in the lot inspected, provided such charges are in substantial conformity with the hourly or carload rate.

Section 51.44 is hereby revoked. This revocation shall not affect the rights of any person who filed a declaration of intention pursuant to the regulation prior to January 16, 1942, and a refund may be made to any such person in compliance with the regulation.

Done at Washington, D. C. this 7th day of September 1942. Witness my hand and the seal of the Department of Agriculture.

[SEAL] PAUL H. APPLEBY,
Acting Secretary of Agriculture.

[F. R. Doc. 42-8870; Filed, September 8, 1942; 11:42 a. m.]

TITLE 10—ARMY: WAR DEPARTMENT

Chapter IV—Military Education

PART 45—AVIATION INSTRUCTION AT NON-FEDERAL ESTABLISHMENTS

AMENDMENT OF REGULATIONS

Sections 45.1 to 45.10, inclusive, issued under authority contained in 53 Stat. 556; 10 U.S.C. 298a, 298b, are hereby, amended to read as follows. These regulations are also contained in AR 350-3500, July 29, 1942, the particular paragraphs being shown in brackets at end of sections.

Sec.

AUTHORITY: §§ 45.1 to 45.10, inclusive, issued under 53 Stat. 556; 10 U.S.C. 298a, 298b.

§ 45.1 *Specific application of these regulations.* These regulations apply specifically to aviation instruction given military personnel in regularly established civil flying schools and in civil technical schools. Training at other educational institutions, industrial plants, or places under the authority of the act of April 3, 1939, as amended will be as prescribed by the Commanding General, Army Air Forces, and approved by the Secretary of War. [Par. 2]

§ 45.2 *Duties of the Commanding General, Army Air Forces.* The Commanding General, Army Air Forces, is responsible for coordination of instruction. He will exercise supervision over all military personnel at institutions. He will determine the numbers of officers and enlisted men required for administrative and supervisory duties and the numbers of students that are to be trained, and will recommend the detail or relief of such personnel to the War Department. He is charged with the issuance of necessary instructions not provided for in these regulations. [Par. 3]

§ 45.3 *Selection of institutions.* The selection of an institution to give instruction to military students will be made by the Commanding General, Army Air Forces. (a) The primary requirement for selection will be the suitability of an institution to accomplish satisfactorily the training projected by the Army Air Forces. Except for publicly aided vocational schools, a prerequisite to the selection of a civil school is the holding of a rating or letter of recognition from the Department of Commerce, Civil Aeronautics Administration, covering pertinent courses and subjects where the Administration takes cognizance of such instruction.

(b) The following factors when applicable will have special importance: (1) Geographical location as it influences the cost of Government transportation or other expense, and the functioning of the system of supply and repair of Government property.

(2) Capacity for instruction of military personnel insofar as it warrants the maintenance of the requisite governmental supervisory and administrative establishment thereat.

(3) Ability to maintain output of trained military personnel at a uniform rate.

(4) Ability to conduct the desired training without undue hazard to personnel or property.

(5) Conditions affecting health and safety of military personnel, and the preservation and maintenance of Government property.

(6) Availability of suitable housing and messing facilities adjacent to place of instruction.

(7) Adequacy of instructional facilities and methods, and quality of instruction.

(8) Adequacy of facilities for maintenance and preservation of Government property.

(9) Provisions for maintaining the governmental supervisory and administrative establishment. [Par. 4]

§ 45.4 *Responsibilities of institutions.* In addition to functions provided for elsewhere in these regulations, institutions will be required to agree to the following prior to the assignment of military personnel thereat for instruction:

(a) To provide adequate and satisfactory housing and messing facilities or make arrangements therefor at a reasonable cost to personnel concerned, for all military students assigned for instruction.

(b) To provide adequate and satisfactory office and other space required by Government administrative personnel in the performance of their assigned duties.

(c) To comply with regulations prescribed by proper civil authorities to insure safety and with such supplementary instructions issued by the Commanding General, Army Air Forces, or his representatives, in regard thereto and not in conflict therewith as may be deemed necessary in the premises.

(d) To save the Government harmless from liability for any injury or damage to persons and property, except Government personnel.

(e) To keep in the office of the school registrar and available to the Commanding General, Army Air Forces, or his representatives, complete records pertaining to the training and progress of each military student. Records should be kept as prescribed by the Commanding General, Army Air Forces.

(f) To give representatives of the Government access to books of account and records at such time as it may be necessary for the Government to determine actual cost of instruction.

(g) To open to inspection by Government representatives, at any time, all facilities employed for the training of military personnel. [Par. 5]

§ 45.5 *Agreements with institutions for instruction.* Services of schools will be procured by a contract in writing which will embody the terms and conditions governing the furnishing of the instruction contemplated herein. The cost of tuition for courses of instruction as authorized in these regulations will be established by negotiation. [Par. 6]

§ 45.6 *Military organization*—(a) *Organization*—(1) *Army Air Forces training detachments.* A military detachment will ordinarily be formed at institutions operating under the provisions of these regulations. All administrative and supervisory personnel (commissioned and enlisted), will be assigned to this detachment and all students will be attached. Detachments so organized will be appropriately designated by the Commanding General, Army Air Forces. The senior Air Corps officer on duty with each detachment will be designated the Army Air Forces supervisor, and will command the detachment unless otherwise provided in Army Regulations.

(2) *Districts.* For the purpose of properly supervising the training being conducted at schools in accordance with these regulations and properly coordinating activities of training and supply, the Commanding General, Army Air Forces, is authorized to divide the schools conducting military training into districts and to appoint a district supervisor in charge of each district. The duties and responsibilities of district supervisors will be as directed by the Commanding General, Army Air Forces.

(b) *Exemption from command.* Detachments formed under the provisions of these regulations will be exempt from service command. Services of Supply, supervision and control except for disciplinary matters and routine supply. [Par. 7]

§ 45.7 *Duties of Army Air Forces supervisor.* (a) The Army Air Forces supervisor will be an intermediary in all relations between the War Department and the institution at which he is assigned in matters pertaining to the instruction of military students thereat.

(b) In addition to his duties as commander of his detachment and such other duties as may be assigned by proper authority he will—

(1) Determine the continued adequacy and suitability of contractors' facilities and methods as they apply to the instruction of military students.

(2) Maintain contact with progress of military students and pass upon the eligibility of any student to receive a certificate of graduation.

(3) Determine the proficiency of students in their assignments at any time during the course of instruction.

(4) Be responsible for the discipline of military students at all times.

(5) Suspend the instruction of any military student when such action is necessary.

(6) Insure that no officer or enlisted man is conducting or pursuing any course of instruction at the school without proper authority of the War Department.

(7) Render reports prescribed by the Commanding General, Army Air Forces, and by pertinent Army Regulations. A special report will be submitted in writing covering any serious breach of contract or agreement on the part of any school or school representative, concerning which adequate corrective action has not been taken within a reasonable length of time. [Par. 8]

§ 45.8 *Termination of status as student.* An academic board composed of officers will be appointed as directed by the Commanding General, Army Air Forces, at each institution which has been designated to give aviation instruction to military personnel. This board will consider all cases that are referred to it by the Army Air Forces supervisor which involve the fitness of a student to continue instruction for any reason whatsoever and will make appropriate recommendations relating to the disqualification, discharge, or reinstatement of any student. The academic board will comply with such instructions as may be issued from time to time by the Commanding General, Army Air Forces. [Par. 9]

§ 45.9 *Property.* All Government-owned property required at institutions, regardless of the purpose for which intended, will be consigned to the commanding officer of the local Army Air Forces training detachment. Property transactions between the Army Air Forces supervisor and a school will be governed by § 45.10 (c) (2) (i). An accountable officer will be designated by the Commanding General, Army Air Forces, who will account for all Government property located at each institution. The Commanding General, Army Air Forces, will furnish each service command commander concerned with the name or designation of the accountable officer. [Par. 10]

§ 45.10 *Loan of Government Property*—(a) *General.* Property subject to loan will comprise any Government-owned property mentioned and described in sec. 4, 53 Stat. 556; 10 U.S.C. 298b. All loans of Government property will be made subject to return upon call of the Government, and without obligations upon the part of the Government to repair or replace the same in whole or in part unless otherwise specifically provided for by agreement in writing with the institution concerned.

(b) *Accredited aviation schools defined.* The term "accredited aviation schools" is defined as those flying schools or aviation mechanics schools that have been selected by the Commanding General, Army Air Forces, in accordance with § 45.3.

(c) *Eligibility for loans.* (1) The institution must be an accredited school within the definition of paragraph (b) of this section and under contractual obligations with the Government for the training of personnel of the Military Establishment pursuant to sec. 2, 53 Stat. 556; 10 U.S.C 298a.

(2) The detail of military personnel as students at institutions will not create any obligation on the part of the Government to provide property for the instruction of military students except as set forth in formal agreements that may be entered into by the Government with the institution concerned.

(d) *Administrative provisions.* (1) Loans of Government property, except serviceable aircraft, necessary for proper instruction at accredited aviation schools will be made at the discretion of the Commanding General, Army Air Forces. The quantity and nature of the property and the conditions under which loans will be made will be as determined by the Commanding General, Army Air Forces.

(2) Administrative details not inconsistent with these regulations respecting the loan of Government property and the maintenance thereof, including the extent to which an institution will be held responsible for replacement, repair, and overhaul, will be matters for determination by the Comanding General, Army Air Forces.

(e) *Procedure*—(1) *Requisitions.* Requests for the issue of Government property will be submitted by the institution to the Army Air Forces supervisor. When authorized, the issue to the institution will be made by the Army Air Forces supervisor, or if not on hand, will be obtained by him on requisition.

(2) *Loans.* (i) Government property will be loaned to institutions by the Army Air Forces supervisor on memorandum receipt. Credit memorandum receipt will be furnished the institution by the Army Air Forces supervisor for property returned to the War Department.

(ii) The responsible head or corresponding executive of the institution will designate in writing a representative who will sign all property papers for the school in the name of the institution.

(iii) Reports concerning the quantity and condition of Government property in its possession will be rendered by the institution as required by the Commanding General, Army Air Forces.

(iv) The institution will make settlement for property held on memorandum receipt as required by the Army Air Forces supervisor.

(3) *Accounting.* Property will be accounted for as prescribed in § 45.9.

(f) *Transportation.* (1) Property authorized to be loaned under the provisions of § 45.10 (a) will be delivered to an institution through the Army Air Forces supervisor by air, rail, or motor transportation as the interests of the Government may require, at the expense of the Government, except for drayage as provided for in paragraph (b) of this section. The return of such property as requires rail or motor transportation, including property in the possession of the Army Air Forces supervisor, will be accomplished by the institution making delivery f. o. b. cars or motor truck city of the institution concerned, properly packed, boxed, crated, and prepared for domestic shipment to such destination as may be determined by the Government. The return of airplanes in condition for flight will be accomplished by the institution, set up, serviced, and made ready for flight at the flying field of the institution concerned.

(2) All drayage of Government property to and from air or mail terminal, city of institution concerned, will be furnished by and at the expense of the institution.

(3) The cost of transportation chargeable to the Government will be paid from funds allocated to the Commanding General, Army Air Forces.

(g) *Lost, damaged, or destroyed property.* (1) Government property which becomes unserviceable through fair wear and tear incident to the proper and authorized use thereof will occasion no liability to the institution. Such property may be returned to the Government for replacement or credit or should be repaired by the institution in accordance with the written agreement that is entered into with the Government for the instruction of military personnel.

(2) Government property lost, destroyed, or damaged by fire, theft, tornado, aircraft accident, or other similar causes, without fault or neglect on the part of the institution, its servants, or employees, will occasion no liability to the institution. To determine whether such loss, destruction, or damage was without fault or neglect on the part of the institution, its servants, or employees, a survey will be made as provided in AR 35–6640.[1] The surveying officer will be appointed in accordance with instructions issued by the Commanding General, Army Air Forces. Reports of survey for property in the possession of an institution will be prepared by the Army Air Forces supervisor.

(3) All other loss, damage, or deterioration of Government property for which an institution is responsible will be made good by the institution. The Chief of Finance will take the necessary action to secure reimbursement to the United States for such loss, destruction, damage, or deterioration.

(4) The Army Air Forces supervisor will report to the authorities of the institution in writing any facts, circumstances, or conditions which he believes to be prejudicial to the proper protection of Government property against loss through fire, floods, theft, tornado, accident, or other similar causes. In the event that proper corrective action is not taken by the institution as the result of such communication, report thereof will be made to the Commanding General, Army Air Forces. Access to all such reports will be afforded to surveying officers appointed under the provision of paragraph (b) of this section.

(5) The relief of institutions from liability in connection with property referred to above will in no way render

[1] Administrative regulations of the War Department relative to survey of lost, destroyed, or unserviceable property.

inoperative any written agreement made by them with the Government for repairs and maintenance.

(h) *Maintenance and repair.* (1) The institution will keep and maintain property loaned to it in good repair and in the same condition as when received by it, usual wear, tear, and usage excepted, unless otherwise specifically provided for in written agreement made with the institution for the instruction of military personnel.

(2) Authorized Government representatives will have free access to all Government property loaned to an institution for the purpose of ascertaining the condition of such property and the manner in which it is being safeguarded, stored, maintained, and repaired.

(3) The Commanding General, Army Air Forces, may prescribe regulations that will facilitate proper inspection and maintenance of loaned Government property, when such regulations are consistent with the contractual obligations of the institution.

(i) *Care and safekeeping.* (1) None of the property owned by the Government and furnished to an institution under these regulations will be removed by the institution from the continental limits of the United States. Such property will not be utilized by the contractor for any other purpose than the instruction of military personnel or the performance of formal contracts pertaining to such instruction except where specifically authorized by the Commanding General, Army Air Forces.

(2) Proper storage facilities will be furnished by the institution for all Government property in its possession and in the possession of the Army Air Forces supervisor. The place and manner of storage will provide satisfactorily for the care and safekeeping of Government property and will be such as to prevent undue and avoidable deterioration.

(3) Government parts, accessories, and supplies will in no case be stored or mingled with the articles of a like nature that belong to an institution. The manner of storage will permit ready identification of the property that is loaned by the Government and facilitate its inventory when such action is required. [Pars. 11 to 19]

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 42-8848; Filed, September 7, 1942; 10:28 a. m.]

Chapter V—Military Reservations and National Cemeteries

PART 54—EXCHANGES

CONTRACTS FOR TEMPORARY BUILDINGS

Section 54.11 (f) and (g) is hereby amended to read as follows:

§ 54.11 *Contracts.*

* * * * *

(f) Contracts for the erection of temporary exchange buildings will contain a statement that the proposed construction is an exchange transaction and that the exchange alone is responsible for the debt, and not the Government.

(g) When applicable, contracts for the erection of temporary buildings will contain a statement that immediately upon completion of the building, title thereto passes to the exchange. See paragraph (f) of this section. (R. S. 161; 5 U. S. C. 22) [Par. 33*f* and *g*, AR 210-65, July 1, 1941, as amended by C 1, August 22, 1942]

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 42-8805; Filed, September 4, 1942; 3:56 p. m.]

Chapter VII—Personnel

PART 73—APPOINTMENT OF COMMISSIONED OFFICERS, WARRANT OFFICERS, AND CHAPLAINS

MISCELLANEOUS AMENDMENTS

Sections 73.206, 73.209, 73.211 and 73.215 (b) (2) and (c), issued under authority contained in 55 Stat. 728; 10 U. S. C. Sup. 484, are hereby amended to read as follows: These regulations are also contained in AR 605-10, December 10, 1941, as amended by C1, dated August 11, 1942, the particular paragraphs being shown in brackets at end of sections.

§ 73.206 *Grades in which appointed.* Appointments may be made in any grade for which the appointee is qualified and eligible, subject to the following limitations:

(a) Appointments in the following categories will be limited to the grades indicated for each:

(1) Appointments in the Medical Corps, Dental Corps, Veterinary Corps, Sanitary Corps, and the Chaplains' Corps, first lieutenant to colonel, both inclusive.

(2) Appointments in the Medical Administrative Corps, second lieutenant to colonel, both inclusive.

(3) Appointments for assignment to The Judge Advocate General's Department, captain to colonel, both inclusive.

(4) Appointments for assignment to the Military Intelligence Department, second lieutenant to lieutenant colonel, both inclusive.

(b) Graduates of officer candidate schools will be initially appointed as second lieutenants only. [Par. 8]

§ 73.209 *Appointments, how made.* Appointments will be without reference to an arm or service, except that, in the case of appointment as a chaplain or for service with the Medical Department, the service for which appointed will be stated in the notice of appointment. [Par. 11]

§ 73.211 *Assignment.* (a) When an officer appointed in the Army of the United States, other than a chaplain or an officer of the Medical Department, is ordered to active duty, the orders placing him on active duty will designate, where appropriate, the arm or service to which he is assigned.

(b) An officer appointed in the Army of the United States and assigned to a branch immaterial position not allotted to a particular arm or service will be designated as Army of the United States without reference to arm or service.

(c) Persons appointed from civilian status without previous military experience will not be assigned to duty with units of the field forces unless they have completed not less than 6 months' active military service as a commissioned officer subsequent to appointment, and have satisfactorily completed an appropriate course of instruction at a special service school of the arm or service to which they are assigned, except in the following cases:

(1) Persons assigned to units and installations of the Army Air Forces.

(2) Persons assigned to positions on the special staff of divisions or higher echelons.

(3) Persons appointed in the Medical Department or for duty as a chaplain.

(4) Persons appointed and assigned to affiliated units and who may be ordered to field duty with their units when the units reach satisfactory training level for service in the field.

(5) Persons assigned to units organized for Services of Supply installations and activities not organically assigned to tactical units of the field forces and whose duties are primarily technical in nature.

(d) Officers appointed in the Army of the United States will be subject to the administrative jurisdiction and control governing Reserve officers on similar assignments and will be vested with the same right to exercise command in accordance with existing regulations as is vested in officers of the Army who are permanently commissioned. [Par. 13]

§ 73.215 *Methods of separation.*

* * * * *

(b) *Discharge and dismissal.* * * *

(2) (i) Any officer initially appointed in the Army of the United States from civil life, who during the first 12 months of his current active service fails to complete satisfactorily any course of instruction he is required to undergo or exhibits habits or traits of character undesirable in an officer, may be relieved from active duty and his appointment terminated upon the recommendation of the division or corresponding commander concerned, or any higher commander. Recommendations for termination of appointment in such cases will be forwarded to The Adjutant General, with a report of the circumstances in each case.

(ii) All other officers of the Army of the United States, including those appointed from civil life, with more than 12 months' current active service, who are deemed unfit for any reason will be processed in accordance with the provisions of AR 605-230.[1]

[1] Administrative regulations of the War Department relative to reclassification of commissioned officers.

(3) Except in case of dismissal pursuant to sentence of a general court martial, an officer on active duty will be returned to his home and relieved from active duty prior to the effective date of termination of commission [Par. 25].

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 42-8806; Filed, September 4, 1942; 3:56 p. m.]

PART 76—CARE AND DISPOSITION OF INSANE

MISCELLANEOUS AMENDMENTS

Sections 76.1 and 76.2 are hereby amended to read as follows:

§ 76.1 *Transfer to care of nearest known relative.* Insane persons requiring institutional care will be transferred to the custody of the nearest known relative upon their request; provided, the relative produces satisfactory evidence that proper care for the insane person concerned will be provided. This evidence will consist of affidavits from those concerned declaring that they are willing and have the necessary financial means to provide adequate care and treatment. The relative receiving an insane person will be required to receipt for the articles of clothing and baggage belonging to the patient. The patient's money and other valuables will be turned over to the person authorized by law to receive them in the insane person's behalf, upon presentation of proper evidence of such authorization. (R. S. 161; 5 U.S.C. 22) [Par. 7, AR 600-500, August 7, 1942]

§ 76.2 *Applicants for enlistment or selectees.* Applicants for enlistment or selectees discovered to be insane after arrival at a military station, and before the completion of their enlistment or induction, will be disposed of as follows:

(a) Those whose liberation will be unattended by danger to themselves or others will be rejected and disposed of under the regulations governing the disposal of other rejected applicants or selectees.

(b) Those whose insanity is of a type that would probably make their liberation dangerous to themselves or others will be delivered to relatives or to the civil authorities designated by law to apply for the commitment of insane persons residing in the place where they applied for enlistment or at place of induction. The station commander will provide the necessary escort for such delivery, and issue the necessary travel orders, transportation, and subsistence (in kind or by commutation, as may be most suitable). If they refuse to accept the insane person, report will be made to The Adjutant General.

(c) The effects of the patient will be inventoried, and his money and valuables will be secured for disposition as indicated below; his other personal effects will be sent with him as baggage to his destination. The relative or the local committing authorities, as the case may be, will be advised that the patient's money and valuables are subject to the orders of the person legally authorized to receive the same in the insane man's behalf upon presentation of proof of such authority. (R.S. 161; 5 U.S.C. 22) [Par. 9*a*, *b*, AR 600-500, August 7, 1942]

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 42-8804; Filed September 4, 1942; 3:56 p. m.]

Chapter IX—Transport

PART 93—TRANSPORTATION OF INDIVIDUALS

DEPENDENTS

Section 93.1 (d) (3) and (4) is hereby amended to read as follows:

§ 93.1 *Dependents.*

* * * * *

(d) *Between what places furnished.* Transportation may be furnished:

* * * * *

(3) From the old station to any point, when for public reasons the dependents are not permitted by the War Department to proceed to the new station in an oversea department, upon deposit with the issuing transportation officer of the excess cost over and above that from the old station to the appropriate port of embarkation en route to the new station.

(4) From any point to the new station in an oversea department, when for public reasons the dependents were not permitted under the orders directing the change of station to proceed to the new station, but have subsequently been authorized by the War Department to proceed to the new station, upon deposit with the issuing transportation officer of the amount by which the cost to the Government of transportation previously furnished under (3) above plus the cost of that to be furnished under this authorization exceeds the cost from the old station to the appropriate port of embarkation en route to the new station.

(R. S. 161; 5 U. S. C. 22) [Par. 7*e*, AR 30-920, Oct. 4, 1935, as amended by C3, Aug. 22, 1942]

* * * * *

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 42-8860; Filed, September 7, 1942; 11:37 a. m.]

PART 93—TRANSPORTATION OF INDIVIDUALS

MISCELLANEOUS AMENDMENTS

Sections 93.15 (b) (4), 93.16 (b), and 93.17 (a) are hereby amended to read as follows:

§ 93.15 *When and to whom sleeping-car and similar accomodations furnished; allowances.*

* * * * *

(b) *Tourist accomodations.*

* * * * *

(4) *Alternative allowances; reservations.* The alternative allowances (upper and lower berths; tourist or standard accommodations) provided for in subparagraphs (1), (2), and (3) of this section contemplate the furnishing of the most economical accommodations available on the train (and connecting trains en route) which the persons enumerated are required to use so as to carry out their orders. The higher cost berths and/or accommodations will be utilized only for such distance that those of lower cost are not available. The transportation officer furnishing the transportation will endeavor, through the carrier's agent, to reserve, so far as practicable, the required accommodations for the entire journey, except that the Chief of Transportation will arrange for accommodations in the case of movements which are routed by him under existing regulations, except that under AR 615-500 (now MR 1-7)[1] transportation officers at induction stations arrange for any accommodations authorized herein, in connection with routings prescribed by the Chief of Transportation. See § 93.20. (R.S. 161; 5 U.S.C. 22) [Par. 2*b*, AR 30-925, Oct. 8, 1935, as amended by C 2, August 22, 1942]

§ 93.16 *Physically disabled persons.*

* * * * *

(b) Whenever a physically disabled person may be expected to be noisy, ill-mannered, unpresentable, or otherwise objectionable to the public, or is in such physical condition as to require exclusive accommodations, the responsible medical officer will furnish the transportation officer issuing the transportation request with a certificate, in duplicate, stating that the condition of the person requires exclusive accommodations. Attendants will be provided at all times for such physically disabled persons. Accommodations will be furnished for such physically disabled persons and their attendants in compartments or drawing rooms in parlor cars or sleeping cars where the total number of persons (physically disabled persons and attendants) in one movement is 49 or less. The responsible medical officer will determine in each case of such movements the number of attendants required, the class of accommodations required (that is, compartments or drawing rooms), and the total number of persons (physically disabled persons and attendants), not less than two, to occupy each compartment or drawing room. A statement of this determination will be included by the medical officer in the above-mentioned certificate furnished the transportation officer, who will enter on the top right corner of the original certificate the serial number of the transportation request and forward such original certificate immediately to the disbursing officer designated to pay the carrier's bill. (R.S. 161; 5 U.S.C.) [Par. 3*b*, AR 30-925, Oct. 8, 1935, as amended by C 2, August 22, 1942]

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[1] Administrative regulations of the War Department relative to reception of selective service men.

§ 93.17 *Insane.* (a) Whenever transportation is required for any person who is insane, or who is undergoing observation for insanity or mental disorders, the responsible medical officer will furnish transportation officer issuing the transportation request with a certificate, in duplicate, as to such mental condition of the person. Attendants will be provided at all times for such mental cases. Accommodations will be furnished for such mental cases and their attendants in compartments or drawing rooms in parlor cars or sleeping cars where the total number of persons (mental cases and attendants) in one movement is 49 or less. The responsible medical officer will determine in each case of such movements the number of attendants required, the class of accommodations required (that is, compartment or drawing rooms), and the total number of persons (mental cases and attendants), not less than two, to occupy each compartment or drawing room. A statement of this determination will be included by the medical officer in the abovementioned certificate furnished the transportation officer who will enter on the top right hand corner of the original certificate the serial number of the transportation request and forward such original certificate immediately to the disbursing officer designated to pay the carrier's bill. (R.S. 161, 5 U.S.C. 22) [par. 4*a*, AR 30-925, Oct. 8, 1935, as amended by C 2, Aug. 22, 1942]

[SEAL] J. A. ULIO,
Major General,
The Adjutant General.

[F. R. Doc. 42-8859; Filed, September 7, 1942; 11:37 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. 4536]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

CAPITOL PAINT & VARNISH WORKS, INC.

§ 3.6 (c) *Advertising falsely or misleadingly—Composition of goods:* § 3.66 (a 7) *Misbranding or mislabeling—Composition.* In connection with offer, etc., in commerce, of respondent's paints, (1) using the words "Pure Lead—Pure Zinc—Pure Oil", or other words of like import, to designate, describe, or refer to any paint not exclusively composed of lead, zinc, and oil, except for the addition of the usual and customary quantities of tinting material, thinner, and drier; (2) representing, directly or by implication, that any paint contains any material or ingredient which it does not actually contain; and (3) representing, directly or by implication, that any paint contains materials or ingredients in quantities or proportions different from the actual quantities or proportions of such materials or ingredients in such paint; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., sec. 45b) [Cease and desist order, Capitol Paint & Varnish Works, Inc., Docket 4536, August 31, 1942]

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 31st day of August, A. D. 1942.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the answer of respondent, in which answer respondent admits all the material allegations of fact set forth in said complaint and states that it waives all intervening procedure and further hearing as to said facts, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That respondent Capitol Paint & Varnish Works, Inc., a corporation, its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of its paints in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the words "Pure Lead—Pure Zinc—Pure Oil," or other words of like import, to designate, describe, or refer to any paint not exclusively composed of lead, zinc, and oil, except for the addition of the usual and customary quantities of tinting material, thinner, and drier;

2. Representing, directly or by implication, that any paint contains any material or ingredient which it does not actually contain;

3. Representing, directly or by implication, that any paint contains materials or ingredients in quantities or proportions different from the actual quantities or proportions of such materials or ingredients in such paint.

It is further ordered, That the respondent shall, within sixty days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 42-8814; Filed, September 5, 1942; 11:11 a. m.]

[Docket No. 4207]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

BIGELOW-SANFORD CARPET COMPANY, INC.

§ 3.6 (n) *Advertising falsely or misleadingly—Nature—Product:* § 3.6 (cc) *Advertising falsely or misleadingly—Source or origin—Place—Domestic product as imported:* § 3.66 (d) *Misbranding or mislabeling—Nature:* § 3.66 (k) *Misbranding or mislabeling—Source or origin—Place—Domestic product as imported:* § 3.69 (b) *Misrepresenting oneself and goods—Goods—Nature:* § 3.69 (b) *Misrepresenting oneself and goods—Goods—Source or origin—Place—Domestic product as imported:* § 3.96 (a) *Using misleading name—Goods—Nature:* § 3.96 (a) *Using misleading name—Goods—Source or origin—Place—Domestic product as imported.* In connection with offer, etc., in commerce, of rugs or carpets, and among other things, as in order set forth, using the words "Persiamar" or "Kashamar," or any other word or name indicative of the Orient, to mark, designate, describe, or refer to rugs not made in the Orient and which do not possess all the essential characteristics and structure of the type of Oriental rug which they purport to be; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., sec. 45b) [Modified cease and desist order, Bigelow-Sanford Carpet Company, Inc., Docket 4207, September 4, 1942]

§ 3.6 (m 10) *Advertising falsely or misleadingly—Manufacture or preparation:* § 3.6 (n) *Advertising falsely or misleadingly—Nature—Product:* § 3.55 *Furnishing means and instrumentalities of misrepresentation or deception:* § 3.66 (c 20) *Misbranding or mislabeling—Manufacture:* § 3.66 (d) *Misbranding or mislabeling—Nature.* In connection with offer, etc., in commerce, of rugs or carpets, and among other things, as in order set forth, (1) using the words "true copies," "perfect copies," "reproductions," or any other words of similar import, to designate or describe rugs which are not replicas or duplicates of original Oriental rugs in every respect; (2) representing in any manner that the rugs manufactured and sold by it are true copies of museum Oriental rugs, or that they are reproductions of Oriental rugs; and (3) furnishing dealers buying its rugs with advertising copy intended to be inserted by such dealers in newspapers and other publications of general circulation, which contain one or more of the following statements with reference to respondent's rugs: "True copies of Sarouks, Kirmans, and Persians"; "Perfect copies of collectors' Orientals"; "Oriental rugs reproduced by those clever Bigelow weavers"; "True copies of museum Orientals"; "Amazing reproductions from the original Orientals"; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., sec. 45b) [Modified cease and desist order, Bigelow-Sanford Carpet Company, Inc., Docket 4207, September 4, 1942]

In the Matter of Bigelow-Sanford Carpet Company, Inc., a Corporation

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 4th day of September, A. D. 1942.

The Federal Trade Commission having further considered the order to cease and desist heretofore issued in the above-entitled cause on the 26th day of May, A. D. 1942,[1] and it appearing to the Commission that paragraph (2) of said order to cease and desist was indefinite and incomplete and that public interest required that said cause be reopened for

[1] 7 F.R. 4017.

the purpose of correcting said paragraph by the issuance of a modified order to cease and desist; and the Commission having heretofore entered its order upon the respondent to show cause within ten (10) days from date of service of said order, why a modified order to cease and desist should not be issued by the Commission amending said paragraph (2) of the order issued May 26, 1942, and ten days having elapsed since date of service of said order to show cause and no objections having been filed by the respondent; and the Commission having considered the record and being now fully advised in the premises:

It is ordered, That the respondent, Bigelow-Sanford Carpet Company, Inc., a corporation, its officers, directors, representatives, agents, and employees, jointly or severally, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of rugs or carpets in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Using the words "Persiamar" or "Kashamar," or any other word or name indicative of the Orient, to mark, designate, describe, or refer to rugs not made in the Orient and which do not possess all the essential characteristics and structure of the type of Oriental rug which they purport to be;

(2) The use of the words "true copies," "perfect copies," "reproductions," or any other words of similar import, to designate or describe rugs which are not replicas or duplicates of original Oriental rugs in every respect;

(3) Representing in any manner that the rugs manufactured and sold by it are true copies of museum Oriental rugs, or that they are reproductions of Oriental rugs;

(4) Furnishing dealers buying its rugs with advertising copy intended to be inserted by such dealers in newspapers and other publications of general circulation, which contain one or more of the following statements with reference to respondent's rugs: "True copies of Sarouks, Kirmans and Persians"; "Perfect copies of collectors' Orientals"; "Oriental rugs reproduced by those clever Bigelow weavers"; "True copies of museum Orientals"; "Amazing reproductions from the original Orientals."

It is further ordered, That the respondent shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 42-8858; Filed, September 7, 1942; 11:25 a. m.]

[Docket No. 4543]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

MERIT HEALTH APPLIANCE CO.

§ 3.6 (t) *Advertising falsely or misleadingly—Qualities or properties of product:* § 3.6 (x) *Advertising falsely or misleadingly—Results:* § 3.6 (y) *Advertising falsely or misleadingly—Safety:* § 3.71 (e) *Neglecting, unfairly or deceptively, to make material disclosure—Safety.* In connection with offer, etc., of respondents' "Merit Short Wave Diathermy", or other similar device, disseminating, etc., any advertisements by means of the United States mails, or in commerce, or by any means, to induce, etc., directly or indirectly, purchase in commerce, etc., of said device, which advertisements represent, directly or through inference, (1) that respondents' device is safe or harmless; or (2) that respondents' device constitutes a competent or effective treatment for, or will alleviate pain resulting from, rheumatism, arthritis, neuritis, bursitis, lumbago, sciatica, neuralgia, sinus trouble, female disorders, or any other ailment or disorder of the human body, unless such advertisement is specifically limited to those cases in which the condition is chronic rather than acute, and in which there is an absence of acute inflammation; or which advertisements fail to reveal clearly and conspicuously that respondents' device is not safe for use unless and until a competent medical authority has determined, as a result of diagnosis, that the use of diathermy is indicated, and has prescribed the frequency and rate of application of the treatments, and the user has been adequately instructed by a trained technician in the use of such device; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., sec. 45b) [Cease and desist order, Merit Health Appliance Co., Docket 4543, August 31, 1942]

In the Matter of George S. Mogilner and James Walker, Individuals, Trading as Merit Health Appliance Co.

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 31st day of August, A. D. 1942.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondents, testimony and other evidence taken before a trial examiner of the Commission theretofore duly designated by it, in support of the allegations of the complaint and in opposition thereto, report of the trial examiner upon the evidence, and briefs in support of and in opposition to the complaint (oral argument not having been requested), and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Federal Trade Commission Act;

It is ordered, That the respondents, George S. Mogilner and James Walker, individually and trading as Merit Health Appliance Co., or trading under any other name, and their agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of respondents' device designated "Merit Short Wave Diathermy", or any other device of substantially similar character, whether sold under the same name or under any other name, do forthwith cease and desist from directly or indirectly:

1. Disseminating or causing to be disseminated any advertisement by means of the United States mails, or by any means in commerce, as "Commerce" is defined in the Federal Trade Commission Act, which advertisement represents, directly or by implication,

(a) That respondents' device is safe or harmless;

(b) That respondents' device constitutes a competent or effective treatment for, or will alleviate pain resulting from, rheumatism, arthritis, neuritis, bursitis, lumbago, sciatica, neuralgia, sinus trouble, female disorders, or any other ailment or disorder of the human body unless such advertisement is specifically limited to those cases in which the condition is chronic rather than acute, and in which there is an absence of acute inflammation.

2. Dissemination or causing to be disseminated any advertisement by means of the United States mails, or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisement fails to reveal clearly and conspicuously that respondents' device is not safe for use unless and until a competent medical authority has determined, as a result of diagnosis, that the use of diathermy is indicated, and has prescribed the frequency and rate of application of the treatments, and the user has been adequately instructed by a trained technician in the use of such device.

3. Disseminating or causing to be disseminated any advertisement by any means for the purpose of inducing or which is likely to induce, directly or indirectly, the purchase in commerce, as "commerce" is defined in the Federal Trade Commission Act, of respondents' device, which advertisement contains any representation prohibited in paragraph 1 hereof or which fails to contain the warning set forth in paragraph 2 hereof.

It is further ordered, That the respondents shall, within ten (10) days after service upon them of this order, file with the Commission an interim report in writing stating whether they intend to comply with this order, and, if so, the manner and form in which they in-

tend to comply; and that within sixty (60) days after the service upon them of this order, the respondents shall file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary.*

[F. R. Doc. 42-8886; Filed, September 8, 1942; 11:48 a. m.]

TITLE 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 230—RULES AND REGULATIONS, SECURITIES ACT OF 1933

AMENDMENT TO REGULATION EXEMPTING CERTAIN ISSUES OF SECURITIES FROM REGISTRATION

Amendment to regulation under the act exempting from registration certain issues of securities whose aggregate offering price to the public does not exceed $100,000.

The Securities and Exchange Commission, acting pursuant to authority conferred upon it by the Securities Act of 1933, particularly sections 3 (b) and 19 (a) thereof, and finding such action necessary and appropriate in the public interest and for the protection of investors, and necessary for the execution of the functions vested in it by the said Act, hereby takes the following action:

I. Section 230.221 [Rule 221] is amended by adding at the end of the rule the following new paragraph (i):

§ 230.221 *Securities excluded from exemption.* * * *

(i) Securities as to which a registration statement has been in effect in connection with the offering made under this regulation, before (1) the expiration of one year from the date of the last sale made pursuant to the registration statement by the issuer or other person on behalf of or for the benefit of whom the securities were registered or by any underwriter and (2) the effective date of an amendment to the registration statement removing from a registered status all the securities remaining unsold by the issuer or other person on behalf of or for the benefit of whom they were registered or by any underwriter.

II. Paragraph (b) of § 230.222 [Rule 222] is amended to read as follows:

§ 230.222 *Letter of notification.* An original and two copies of each letter of notification shall be filed, at least 24 hours prior to any public offering of securities under the regulation, with the regional office of the Commission for the region in which the issuer's principal place of business is located. Form 3-3b-1 may be used in supplying the information required to be set forth in the letter of notification.

Effective September 4, 1942.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 42-8798; Filed, September 4, 1942; 2:22 p. m.]

TITLE 24—HOUSING CREDIT

Chapter II—Federal Savings and Loan System

[Bulletin No. 11]

PART 203—OPERATION

PURCHASE OF ASSETS

SEPTEMBER 4, 1942.

No hearing having been requested in accordance with the provisions of paragraph (d) of § 201.2 of the Rules and Regulations for the Federal Savings and Loan System after opportunity therefor was allowed in accordance with paragraph (b) thereof, paragraph (b) of § 203.13 of the Rules and Regulations for the Federal Savings and Loan System is amended, effective September 5, 1942 to read as follows:

§ 203.13 *Brokerage business and purchase and sale of loans.* * * *

(b) *Purchase of assets.* Federal associations shall primarily engage in lending their funds, but may incidentally purchase loans of a type which they are permitted to make: *Provided*, That no Federal association may purchase any mortgage from an affiliated institution or from an officer, director or employee of the association, or of a type that it is not authorized to make originally, without the prior approval of the Federal Home Loan Bank Administration. No Federal association may purchase an office building, or any part thereof, or land upon which to erect an office building, from an affiliated institution, from an officer, director or employee of the association, or from a corporation or association in which any officer, director or employee is a stockholder or is an officer, director or employee, or from a partnership in which any officer, director or employee is a partner, without the prior approval of the Federal Home Loan Bank Administration. (Sec. 5(a) 48 Stat. 132; 12 U.S.C. 1464(a); E.O. 9070, 7 F.R. 1529)

JAMES TWOHY, *Governor.*
HAROLD LEE, *General Counsel,*
ORMOND E. LOOMIS, *Executive assistant to the Commissioner.*

[F. R. Doc. 42-8825; Filed September 5, 1942; 11:36 a. m.]

TITLE 25—INDIANS

Chapter I—Office of Indian Affairs

Subchapter G—Enrollment and Reallotment of Indians

PART 51—ENROLLMENT OF MENOMINEE INDIANS, WISCONSIN

MISCELLANEOUS AMENDMENTS

The following sections of Part 51 are amended to read as follows:

§ 51.2 *Tribal roll.* The names of all persons entitled on June 15, 1934, to tribal rights with the Menominee Indian Tribe, pursuant to the terms and conditions of the act of June 15, 1934 (48 Stat. 965), as amended July 14, 1939 (53 Stat. 1003), shall be placed automatically on the official certified roll approved by the Secretary of the Interior on December 27, 1935, as modified June 30, 1941, pursuant to section 2 of the said act of July 14, 1939, requiring the placing thereon after the name of each Indian the degree of Menominee Indian blood possessed by such Indian, as determined by the Secretary of the Interior.

§ 51.3 *Names added to roll.* The Superintendent is responsible for the placing immediately on the official certified roll the names of all persons automatically enrolled under provisions of § 51.4 of this part and from time to time the names of all other persons who qualify for membership under §§ 51.5 to 51.20, inclusive, of this part.

§ 51.4 *Automatic enrollment of children.* Irrespective of the derivation of their Menominee blood, there shall be placed automatically on the official certified roll, upon the filing of proper birth certificates with the Superintendent, (a) names of unenrolled living Menominee Indian children named therein, born prior to June 15, 1934 of an enrolled parent or parents residing on the Menominee Reservation at the time of the births of such children and (b) the names of children born on or subsequent to June 15, 1934, who possess one-fourth or more Menominee Indian blood who were born of parents residing at the time of the births of such children upon the Menominee Reservation at least one of whom is an enrolled member of the Menominee Tribe.

§ 51.5 *Application for enrollment.* Any unenrolled person not entitled to automatic enrollment under § 51.4 of this part, may at any time apply to the Secretary of the Interior through the Superintendent of the Menominee Indian Reservation, to have his name placed on the official certified roll.

§ 51.13 *Back annuities.* Except in all cases of children whose names are automatically placed on the official certified roll as provided in § 51.4 of this part, persons whose names are placed on the official certified roll subsequent to June 15, 1934, shall share only in payments made after their names are placed on such roll. Children whose names are

automatically placed on the official certified roll shall participate in any tribal payments between the time of their births and enrollment.

§ 51.14 *Enrollees only to participate in payments.*—Subject to the exception contained in § 51.13 of this part, only persons whose names actually appear on the official certified roll at the time of a payment can participate therein; applications for back annuities by or for those persons subsequently enrolled cannot be considered.

51.19 *Decedents names stricken from official certified roll.* As the official certified roll is not final, the names of deceased enrollees shall be stricken therefrom as deaths occur.

(Sec. 1, 48 Stat. 965; sec. 1, 53 Stat. 1003.)

OSCAR L. CHAPMAN,
Assistant Secretary.

AUGUST 8, 1942.

[F. R. Doc. 42-8813; Filed, September 5, 1942; 10:07 a. m.]

TITLE 30—MINERAL RESOURCES

Chapter III—Bituminous Coal Division

[Order No. 341]

PART 308—REPORTS AND RECORDS

METHODS OF FILING ANALYSES, ETC.

Order revoking and cancelling orders Nos. 234, 235, 288, and 333 as amended, and the Director's Statement No. 5, dated October 5, 1940, and revising the methods of filing analyses and the requirements thereof.

It appearing that in order to carry out and administer the provisions of the Bituminous Coal Act of 1937, it is necessary that copies of certain analyses and other information, herein described, be supplied to the Bituminous Coal Division;

Pursuant to the provisions of section 4 II (a) and 10 (a) of the Bituminous Coal Act of 1937,

It is ordered, That:

Orders Nos. 234[1], 235[2], 288[3], 333, as amended,[4] and the Director's Statement No. 5, dated October 5, 1940, be, and the same are hereby revoked and the following new section is added to Part 308:

§ 308.29 *Methods of filing analyses and the requirements thereof.* (a) All code members, sales agents, or distributors required to file reports of any coal analyses pursuant to § 318.8 of the Marketing Rules and Regulations, shall file not later than fifteen (15) days from the date of this Order one copy of any such analysis with the district board for the district in which the producing mine is located and two copies with the appropriate statistical bureau for such district: *Provided, however,* That this rule shall not be construed to require retroactively the filing of additional copies of analyses heretofore filed pursuant to § 318.8 of the Marketing Rules or Orders No. 234 (§§ 309.10–309.16), 235 (§§ 306.30–306.38), 288 (§ 309.13), and 333, as amended.

(b) For the purpose of securing information relating to the qualities and characteristics of coals of code members the several district boards are hereby authorized to request from code members by questionnaire, or by other means, information concerning the physical characteristics and characteristics of performance of the coals of code members, and said district boards are hereby authorized to provide facilities for sampling and analyzing such coals, and to enter into contracts for the performance of such work by competent and disinterested private individuals, or recognized companies generally engaged in the business of sampling and analyzing coal.

(c) If, in the judgment of the appropriate district board, an analysis filed by a code member is not representative of the coal produced by that code member, said district board may, in its discretion, cause a proper sample or samples to be taken after final tipple preparation of the coal for shipment to market, in accordance with the standard methods developed by the United States Bureau of Mines in Technical Paper No. 133 as revised, and approved by the American Society for Testing Materials; upon completion of such analysis the district board shall file in duplicate with the statistical bureau copies of the analyses obtained together with a statement indicating the manner in which the sample was taken and the analysis made; and the reasonable expenses of providing and operating such facilities or of having such analysis work performed shall be paid from the general funds of the appropriate district board and such expenditures shall be subject to the general supervision and approval of the Bituminous Coal Division.

(d) Every code member shall make a report in writing, one copy to the appropriate district board and two copies to the appropriate statistical bureau, setting forth all pertinent facts relating to any changes in ownership or operation of bituminous coal mines in which he has, acquires, or surrenders any interest, including, but not limited to the following:

(1) The purchase, lease, or other acquisition of any mine or interest therein, regardless of whether or not the mine is currently producing coal.

(2) The mortgage, sale, transfer, or other disposition of any mine or interest therein, regardless of whether or not the mine is currently producing coal.

(3) Any change in the proprietary or business organization of the code member, such as incorporation, reorganization, or dissolution of a mining corporation, formation or dissolution of a mining copartnership, or change of name of code member or any mines owned or operated by code member.

(4) Any change in mining or operational methods, such as the opening of new mines or new mine adits, the substitution of machine-loading for hand-loading or deep mining for strip mining.

(5) Changes in the methods of coal preparation, such as the installation of tipples, washing or other cleaning facilities, screening and crushing facilities.

(6) All substantial changes in sizes, analytical properties, or other characteristics of coals produced by the code member.

(7) Any changes in the method of shipping or transporting coals produced at the mine. Such changes in ownership or operation of bituminous coal mines shall be reported within 10 days of their occurrence: *Provided, however,* That the requirements of this rule may be fulfilled by filing a report of prospective or contemplated changes in ownership or operation: *And further provided,* That in the event that such prospective or contemplated changes are not put into effect, this fact shall be reported in the same manner as above set forth.

(e) If the code member produces or contemplates producing coal from a mine for which no price classification and minimum prices have been proposed or established, the code member shall file one copy of a report indicating such fact with the appropriate district board and two copies with the appropriate statistical bureau: *Provided, however,* That this rule shall in no way be construed to permit the sale of any coal for which minimum prices have not been established.

(f) From and after the date of this Order analyses filed with the appropriate statistical bureau and district board, in accordance with the provisions of § 318.8 of the Marketing Rules and Regulations, and this Order, may be considered by said district board and the Bituminous Coal Division in determining the proper classifications and prices of the coal produced by the code member for whose coals the analysis was made and filed; and said analysis shall be subject to inspection by any interested person at the office of the statistical bureau and the Division during office hours. (Sec. 2 (a) 50 Stat. 72, 15 U.S.C. 829 (a), sec. 4 II (a), 50 Stat. 77, 15 U.S.C. 833 (a), sec. 4 II (h), 50 Stat. 81, 15 U.S.C. 833 (h), and sec. 10 (a), 50 Stat. 88, 15 U.S.C. 840 (a))

Dated: September 4, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8875; Filed, September 8, 1942; 11:46 a. m.]

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[1] 3 F.R. 696.
[2] 3 F.R. 696.
[3] 4 F.R. 2882.
[4] 6 F.R. 4900, 5289.

Chapter IX—War Production Board

Subchapter B—Director General for Operations

PART 989—DOMESTIC MECHANICAL REFRIGERATORS

[Amendment 2 to Supplementary General Limitation Order L–5–d]

Section 989.5 *Supplementary General Limitation Order L–5–d*[1] is hereby amended in the following respects:

Paragraph (a) is hereby amended by adding the following new subparagraphs at the end thereof:

(8) "Affiliated distributor" means any distributor which is owned or controlled by a manufacturer or under common ownership or control with a manufacturer. A person shall be deemed to be owned or controlled by another person when more than 50% of its voting capital stock is directly or indirectly owned by such other person.

(9) "Independent distributor" means any distributor other than an affiliated distributor.

Paragraph (b) is hereby amended to read as follows:

(b) *Restrictions on transfers of new domestic mechanical refrigerators.* No person shall transfer or accept transfer of any new domestic mechanical refrigerator except as permitted under the provisions of this paragraph (b). Whenever any manufacturer or distributor is authorized to transfer new domestic mechanical refrigerators under subparagraph (3) of this paragraph (b) or under paragraph (c) (2) (iii), such transfers shall be made as far as is practicable through his normal distributive outlets on a basis proportionate to his distribution of new domestic mechanical refrigerators to them, respectively, during the year 1941, regardless of any previous commitments or contracts.

(1) Any new domestic mechanical refrigerator may be transferred pursuant to a certificate of transfer under the provisions of paragraph (c) or pursuant to other specific authorization of the Director General for Operations.

(2) Any new domestic mechanical refrigerator may be transferred in fulfillment of any contract or purchase order for delivery of any such refrigerator to or for the account of the Army or Navy of the United States, the United States Maritime Commission, the War Shipping Administration or the Panama Canal.

(3) Any new electric or gas (but not kerosene) domestic mechanical refrigerator, which, at 10 A. M. Eastern War Time, February 14, 1942, was in the inventory of a dealer, independent distributor or any other person not a manufacturer or affiliated distributor, may be transferred by any person to any other person without limit as to the number of transfers which may be made of any such refrigerator, provided that any transfer of a new domestic mechanical refrigerator to an ultimate consumer under the provisions of this subparagraph (3) may be made only if such transferee certifies in writing (which shall constitute a representation to the transferor and to the War Production Board) substantially as follows:

> The domestic mechanical refrigerator being transferred is for my personal use (or for the use of my family, or my tenants). I have no other domestic mechanical or ice refrigerator at my disposal (or, I have disposed of any domestic mechanical or ice refrigerator which has been at my disposal since February 14, 1942 to a dealer or consumer).
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> ---

Any new electric or gas domestic mechanical refrigerator which at 10 A. M. Eastern War Time, February 14, 1942 had been bought and fully paid for and was in the hands of the seller at that time, shall be deemed to have been in the inventory of the purchaser at 10 A. M. Eastern War Time, February 14, 1942.

(4) Any new kerosene domestic mechanical refrigerator which at 10 A. M. Eastern War Time, February 14, 1942, had been bought and fully paid for by an ultimate consumer, and was in the hands of the seller at that time may be delivered to the purchaser.

(5) Any person may distrain or levy by execution, attachment or similar form of judicial process, on any new domestic mechanical refrigerators, or repossess them on default, but may not transfer them thereafter except pursuant to the provisions of subparagraphs (1) and (2) of this paragraph (b) unless the refrigerators come within the provisions of subparagraph (3) of this paragraph (b).

(6) Any manufacturer may sell any new domestic mechanical refrigerator to Defense Supplies Corporation or any other corporation organized under Section 5 (d) of the Reconstruction Finance Corporation Act as amended, and any such corporation may resell any such refrigerators to the manufacturer from whom they were purchased.

Paragraph (c) (2) is hereby amended to read as follows:

(2) A certificate of transfer on Form PD–430 may be issued in order to permit the transfer of new domestic mechanical refrigerators:

(i) From one warehouse or place of storage to another warehouse or other place of storage, whether or not it involves any change in the ownership or title of such refrigerators;

(ii) From any person to any other person when the transfer does not come within the provisions of subparagraph (1) of this paragraph (c); or

(iii) From any manufacturer or affiliated distributor to any person, without limit as to the number of transfers which may be made of any such refrigerators, provided that (*a*) the words "unlimited transfer" appear on such certificate; and (*b*) any transfer to an ultimate consumer made under the provisions of this subdivision (iii) of this paragraph (c) (2) may be made only if such transferee certifies in writing in the form mentioned in paragraph (b) (3) of this order.

Whenever such certificates for "unlimited transfer" are issued by the Director General for Operations he shall take into consideration the number, price range, size and type of new domestic mechanical refrigerators in the stocks of manufacturers and affiliated distributors on February 14, 1942 and thereafter.

Paragraph (g) is hereby amended to read as follows:

(g) *Reports.* (1) Each manufacturer shall file with the War Production Board, on or before the next business day after any shipment to or from his stock of refrigerators a report of all such shipments on Form PD–431.

(2) Each person (other than a manufacturer) holding any new domestic mechanical refrigerator which he cannot transfer under the terms of paragraphs (b) (3) or (c) (2) (iii) shall file with the War Production Board, on or before the next business day after any shipment to or from his stock of refrigerators a report of all such shipments on Form PD–431.

(3) All persons affected by this order shall file with the War Production Board such other reports and questionnaires as the Director General for Operations shall, from time to time prescribe.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 5th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42–8815; Filed, September 5, 1942; 11:14 a. m.]

[1] 7 F.R. 3927, 4480, 4848.

PART 1075—CONSTRUCTION

[Interpretation 1 of Conservation Order L–41 as Amended September 2, 1942]

The following official interpretation is hereby issued by the Director General for Operations with respect to § 1075.1, *Conservation Order L–41.*[1]

(a) Paragraph (a) of Conservation Order No. L–41, as amended, places in different classes the construction of various buildings, structures or projects, and paragraph (b) (7) provides the limits within which the several classes of construction may be begun without authorization. Any building or structure shall be classified in accordance with such provisions unless it constitutes a part of a "project" as defined below, in which event the classification of the project shall control.

(b) The word "project" as used in paragraphs (a) (3), (a) (4), (a) (5), (a) (6), and (a) (7) in defining the classes of construction and as used elsewhere in the order, means all separate buildings, structures, or units of construction situated in close proximity to each other and integrated to serve a single general use; it does not mean a particular construction operation or job.

Generally speaking whether separate buildings, structures or units of construc-

[1] 7 F.R. 6958.

tion together constitute a project depends upon the exact engineering, functional, and other phases of the particular construction involved. The fact that one or more buildings, structures, or units of a single project come within a class or classes of construction different from the class within which the project falls is of no consequence, inasmuch as the class within which the entire project falls will be determined by its predominant designed use in accordance with paragraph (b) of Interpretation No. 1 of Conservation Order L–41 issued June 6, 1942. However, a separate building, structure, or unit of construction situated in close proximity to a project, whether of the same or different classification, is not part of said project, unless it is integrated to serve the same general use as said project.

In no case shall a single building or structure be subdivided into more than one project for the purpose of this Order.

(c) "Total cost of labor" as used in paragraph (a) (9) means (1) actual money outlay for labor employed in the construction; and (2) estimated value of all labor performed in the construction not entailing actual money outlay, excluding only the labor of an owner or tenant and members of the owner's or tenant's immediate family residing with him, on a building, structure or project owned or leased by him.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 5th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42–8824; Filed, September 5, 1942; 11:17 a. m.]

PART 1090—AGAVE FIBER

[Amendment 2 to General Preference Order M–84 as Amended August 5, 1942]

Section 1090.1 *General Preference Order M–84*[1] is hereby amended as follows:

(1) Paragraph (a) (2) is amended to read as follows:

(2) "Agave cordage" means cables and ropes 3/16" in diameter and larger, and twines used for fishing nets, in which agave fiber either alone or in combination with other material is used.

(2) Paragraph (c) (1) (i) is amended to read as follows:

(i) *Wrapping twine.* Processors may use agave fiber for the manufacture of wrapping twine in an amount in any month not in excess of the percentage, for such month, of his average monthly sales for the calendar year 1941 described below.

Year 1942:	Percent
February	100
March	70
Year 1942—Continued.	Percent
April	65
May	65
June	57½
July	50
August	40
September	20
October, and each month thereafter	0

Provided, however, That no person shall put into process after April 13, 1942, any Java agave sisalana for the manufacture of wrapping twine, or after August 5, 1942, any Java agave cantala for this purpose.

(3) Paragraph (d) (3) is amended to read as follows:

(3) No importer shall sell or deliver in any month agave cordage in excess of his average monthly sales of Manila and agave cordage in the calendar years 1939–1941, or wrapping twine, imported or domestic, in excess of the following percentages of his average monthly sales thereof during the calendar year 1941:

	Percent
July	65
August	40
September, and each month thereafter	20

Provided, however, That no importer shall, after September 30, 1942, import, purchase for import, offer to import, offer to purchase for import, contract or otherwise arrange to import any wrapping twine unless specifically authorized by the Director General for Operations. Authorizations will only be granted, in the absence of extraordinary circumstances, where it can clearly be demonstrated that such wrapping twine was processed only from tow, waste or fiber under 20" in length.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

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AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42–8817; Filed, September 5, 1942; 11:14 a. m.]

[1] 7 F.R. 6144, 6599.

PART 1208—NAPHTHENIC ACID AND NAPHTHENATES

[General Preference Order M–142, as Amended September 5, 1942]

Section 1208.1 *General Preference Order M–142* is hereby amended to read as follows:

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of naphthenic acid and naphthenates for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1208.1 *General Preference Order M–142*[1]—(a) *Definitions* For the purposes of this order:

(1) "Naphthenic acid" means the acids existing naturally in certain crude petroleums and distillates therefrom and known as monobasic carboxylic acids of the general formula RCOOH, where R is a naphthene (cyclic hydrocarbon) radical and the acid values of which are 180 or higher on an oil free basis, such acids being normally obtained by extraction from certain petroleum distillates by means of caustic soda. The term includes crude and refined sodium naphthenate intended for the manufacture of other naphthenates.

(2) "Naphthenate" means any salt of naphthenic acid other than crude and refined sodium naphthenate intended for the manufacture of other naphthenates. The term includes, but is not limited to, potassium naphthenate, calcium naphthenate, copper naphthenate, zinc naphthenate, aluminum naphthenate, lead naphthenate, cobalt naphthenate, manganese naphthenate, triethanolamine naphthenate and also sodium naphthenate other than sodium naphthenate intended for the manufacture of other naphthenates. The term also includes any mixture containing more than 5% by weight (dry basis) of naphthenic acid combined as a naphthenate.

(3) "Producer" means any person engaged in the production of naphthenic acid or naphthenates and includes any person who has any naphthenic acid or naphthenate produced for him pursuant to toll agreement.

(4) "Distributor" means any person who has purchased or purchases any naphthenic acid or naphthenate for resale.

(b) *Restrictions on use and delivery of naphthenic acid and naphthenates.* (1) During the period commencing September 5, 1942, the date of issuance of this amendment, and ending September 30, 1942, no person shall, subject to the provisions of paragraphs (c) and (d) hereof, sell, deliver or use any naphthenic acid or naphthenate except in accordance with the provisions of General Preference Order No. M–142 as in effect prior to this amendment.

(2) On and after October 1, 1942, no person shall, subject to the provisions of paragraphs (c) and (d) hereof, use or deliver any naphthenic acid or naphthenate except as specifically authorized by the Director General for Operations upon application pursuant to paragraph (e) hereof, and no person shall accept delivery of any naphthenic acid or naphthenate which he knows or has reason to believe is in violation of this order.

(3) Each person accepting delivery of any naphthenic acid or naphthenate pursuant to specific authorization of the Director General for Operations shall use the same only for the purposes specifically authorized.

(4) Each person affected by this order shall comply with such directions as may be given from time to time by the Director General for Operations, with respect to the use or delivery by any such person of any naphthenic acid or naphthenate.

[1] 7 F.R. 3368, 4173.

(c) *Small order exemptions.* The restrictions provided for in paragraph (b) (1) hereof shall not apply to, and the specific authorization provided for in paragraph (b) (2) hereof shall not be required with respect to, the following:

(1) Use by any person of not to exceed fifty (50) pounds of any naphthenic acid or naphthenate in any one month.

(2) Delivery by any supplier of not to exceed fifty (50) pounds of any naphthenic acid or naphthenate to any one person in any one month, and the acceptance thereof by any such person, subject to the following conditions:

(i) Each supplier desiring to make small order deliveries of any naphthenic acid or naphthenate pursuant to this paragraph (c) (2) shall apply for authorization to make small order deliveries pursuant to paragraph (e) hereof, and the aggregate amount of small order deliveries made by any supplier during any month shall not exceed the amount of such deliveries which he is specifically authorized to make.

(ii) Each person seeking delivery of fifty (50) pounds or less of any naphthenate shall file with his supplier at the time of placing his order therefor a certificate to the effect that if the delivery covered by such order is made, the deliverees will not have received during the current month in excess of an aggregate of fifty (50) pounds of naphthenates: *Provided, however,* That such certificate shall not be required with respect to deliveries of ten (10) pounds or less of any naphthenate.

(d) *Special exemptions.* The restrictions provided for in paragraph (b) (1) hereof shall not apply to, and the specific authorization provided for in paragraph (b) (2) hereof shall not be required with respect to the following:

(1) Delivery, acceptance of delivery or use by any person of any finished lubricant containing less than 20% of naphthenates.

(2) Use by any person in his own manufacturing operations of naphthenates owned by him on May 4, 1942.

(e) *Applications and reports.* In addition to such other reports as may from time to time be required by the Director General for Operations:

A. *Naphthenic Acid*

(1) Each person seeking authorization to use or accept delivery of any naphthenic acid pursuant to paragraph (b) (2) hereof shall apply therefor on Form PD-600. Such applicant shall file with the War Production Board the original and two copies of such form on or before the 15th day of the month preceding the month for which such authorization is requested and shall file with his supplier one copy of such form on or before the 15th day of such month if the supplier is a producer or on or before the 10th day of such month if the supplier is a distributor, which form shall be prepared in the manner prescribed therein, subject to the following specific instructions:

(i) *Heading.* Specify "naphthenic acid" and Order No. "M-142, as amended September 5, 1942" and specify pounds as the unit of measure, and in addition to specifying the delivery destination indicate the address to which communications should be directed.

(ii) *Columns 1, 11 and 19.* Specify crude, processed, rectified or refined, by acid value on an oil free basis and by maximum unsaponifiable content.

(iii) *Columns 3, 20 and 22.* In the case of a distributor, specify "resale pursuant to further authorization." In the case of a consumer, specify:

Lead naphthenate.
Cobalt naphthenate.
Manganese naphthenate.
Iron naphthenate.
Zinc naphthenate.
Copper naphthenate.
Aluminum naphthenate.
Sodium naphthenate.
Rubber compounding composition.
Crude oil demulsifier.
Pigments.
Mineral concentrates.
Other.

If "other" is specified describe briefly.

(iv) *Column 4.* In the case of a distributor, disregard. In the case of a consumer, specify:

Drier.
Dispersing agent.
Fungicide.
E. P. lubricant.
Grease.
Cutting oils and compounds.
Rubber compounding.
Demulsification of crude oil.
Bodying agent.
Potash chemical manufacture.
Production of metallic magnesium.
Other.

If "other" is specified, describe briefly.

(2) Each producer and distributor seeking authorization to deliver any naphthenic acid pursuant to paragraph (b) (2) hereof shall apply therefor on Form PD-601. Such applicant shall file with the War Production Board the original and two copies of such form on or before the 20th day of the month preceding the month for which such authorization is requested, which form shall be prepared in the manner prescribed therein, subject to the following specific instructions:

(i) *Heading.* Specify "naphthenic acid" and Order No. "M-142, as amended September 5, 1942" and specify pounds as the unit of measure, and in addition to specifying the plant or warehouse address indicate the address to which communications should be directed.

(ii) *Column 1.* If authorization to make small order deliveries under paragraph (c) (2) (i) hereof is requested, insert "aggregate small order deliveries" in Column 1 after completing the list of customers and specify in Column 4 the aggregate amount of each grade shown in Column 3 requested to be authorized.

(iii) *Columns 3 and 8.* Specify crude, processed, rectified, or refined, by acid value on an oil free basis and by maximum unsaponifiable content.

B. *Naphthenates*

(3) Each person seeking authorization to use or accept delivery of any naphthenate pursuant to paragraph (b) (2) hereof shall apply therefor on Form PD-600. Such applicant shall file with the War Production Board the original and two copies of such form on or before the 10th day of the month preceding the month for which such authorization is requested and shall file with his supplier one copy of such form on or before the 10th day of such month if the supplier is a producer or on or before the 5th day of such month if the supplier is a distributor, which form shall be prepared in the manner prescribed therein, subject to the following specific instructions:

(i) Heading. Specify "naphthenates" and Order No. "M-142, as amended September 5, 1942" and specify pounds as the unit of measure and in addition to specifying the delivery destination indicate the address to which communications should be directed.

(ii) *Columns 1, 11 and 19.* Specify naphthenate by chemical name and the percentage by weight of metal content.

(iii) *Columns 3, 20 and 22.* In the case of a distributor, specify "Resale Pursuant to Further Authorization." In the case of a consumer, specify:

Paint.
Varnish.
Enamel.
Synthetic enamel.
Lacquer.
Printing ink.
Sandbag fabrics.
Camouflage fabrics.
E. P. lubricants.
Grease.
Cutting oils and compounds.
Grinding oils and compounds.
Lumber.
Fish nets.
Natural rubber.
Synthetic rubber.
Other.

If "other" is specified, describe briefly.

(iv) *Column 4.* In the case of a distributor, disregard. In the case of a consumer, specify:

Sandbag manufacture.
Camouflage material manufacture.
Commercial fishing.
Automotive transmission lubricants.
Industrial greases.
Machine tool operation.
Rubber product manufacture.
U. S. Army specification number.
U. S. Navy specification number.
Army-Navy aircraft specification number.
Other U. S. Government agency specification number.
Other.

If "other" is specified, describe briefly.

(4) Each producer and distributor seeking authorization to deliver any naphthenic acid pursuant to paragraph (b) (2) hereof shall apply therefor on Form PD-601. Such applicant shall file with the War Production Board the orig-

inal and two copies of such form on or before the 15th day of the month, preceding the month for which such authorization is requested, which form shall be prepared in the manner prescribed therein, subject to the following specific instructions:

(i) *Heading.* Specify "naphthenates" and Order No. "M–142, as amended September 5, 1942" and specify pounds as the unit of measure and in addition to specifying the plant or warehouse address indicate the address to which communications should be directed.

(ii) *Column 1.* If authorization to make small order deliveries under paragraph (c) (2) (i) hereof is requested, insert "aggregate small order deliveries" in Column 1 after completing the list of customers and specify in Column 4 the aggregate amount of each naphthenate shown in Column 3 requested to be authorized.

(iii) *Columns 3 and 8.* Specify naphthenate by chemical name and the percentage by weight of metal content.

(f) *Notification of customers.* Producers and distributors shall, as soon as practicable, notify each of their regular customers of the requirements of this order, but failure to give such notice shall not excuse any such person from complying with the terms hereof.

(g) *Miscellaneous provisions*—(1) *Intra-company deliveries.* The prohibitions and restrictions of this order with respect to deliveries of naphthenic acid and naphthenates, shall apply not only to deliveries to other persons, including affiliates and subsidiaries, but also to deliveries from one branch, division or section of a single enterprise to another branch, division or section of the same or any other enterprise under common ownership or control.

(2) *Violations.* Any person who wilfully violates any provision of this order or who, in connection with this order, wilfully conceals a material fact, or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(3) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to: War Production Board, Chemicals Branch, Washington, D. C. Ref: M–142.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 5th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42–8818; Filed, September 5, 1942; 11:14 a. m.]

PART 3029—PORTABLE ELECTRIC FANS

[General Limitation Order L–176]

The fulfillment of requirements of the defense of the United States has created a shortage in the supply of critical materials used in the manufacture of portable electric fans for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3029.1 *General Limitation Order L–176*—(a) *Definitions.* For the purposes of this order: (1) "Portable fan" means any portable domestic or commercial device, powered by a fractional horsepower electric motor which circulates or blows air by a rotary means, including, but not limited to, any fan commonly known as a desk and bracket fan, any portable air circulator and any portable window ventilating fan. "Portable fan" does not include any industrial fan or blower, ceiling fan, attic fan or any fan which is a functional part of any equipment or device having a primary use other than ventilation.

(2) "Victory model fan" means any portable fan manufactured or assembled in accordance with Emergency Alternate Federal Specification No. E–W–F–101a, issued March 9, 1942.

(3) "Manufacturer" means any person who manufactures or assembles any portable fan.

(4) "Copper" means unalloyed copper metal, including unalloyed copper metal produced from scrap.

(5) "Copper base alloy" means any alloy metal in the composition of which the percentage of copper metal, by weight, equals or exceeds 40% of the total weight of the alloy, including alloy metal produced from scrap.

(b) *General restrictions on manufacture.* No manufacturer shall manufacture or assemble any new portable fan, except that: (1) He may manufacture or assemble any Victory model fan in fulfillment of any purchase order placed prior to August 1, 1942, by the Procurement Division of the Treasury Department of the United States.

(2) He may manufacture or assemble any portable fan in accordance with Specifications Nos. 17–F6E or 17–F9C, issued by the Navy Department, or Specification No. 17MC–5, issued by the United States Maritime Commission, in fulfillment of any purchase order, contract or subcontract for portable fans for use on combat or other maritime vessels placed by or for the account of the United States Navy, the United States Maritime Commission or the War Shipping Administration or the government of any country pursuant to the Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States" (Lend-Lease Act).

(3) He may manufacture or assemble any portable fan in accordance with any specific relief granted prior to September 5, 1942, by the Director of Industry Operations or the Director General for Operations pursuant to paragraph (h) (2) of General Conservation Order M–9–c as amended May 7, 1942.[1]

(c) *Restrictions on delivery.* No manufacturer shall sell, lease, trade, deliver, ship or transfer any new portable fan, except pursuant to specific authorization of the Director General for Operations on Form PD–556. Applications for such authorizations must be filed on Form PD–556 in accordance with the instructions thereon. Any manufacturer filing such an application must list thereon his inventory of fans of the type covered by the application on the date thereof.

(d) *Repair parts.* No manufacturer shall manufacture or assemble repair and replacement parts for any portable fan containing any copper or copper base alloys: *Provided, however,* That any person repairing a used portable fan on or off the premises of its owner, may use up to two pounds of copper and copper base alloy to repair said fan when and to the extent that the use of less scarce material is impracticable.

(e) *Applicability of other orders.* In so far as any other order hertofore or hereafter issued by the Director of Priorities, the Director of Industry Operations or the Director General for Operations shall limit the use of any material in the manufacture of portable fans to a greater extent than the restrictions imposed by this order, the provisions of such other order shall govern unless otherwise specified therein: *Provided, however,* That a manufacturer may complete the production of Victory Model Fans permitted under paragraph (b) (1) notwithstanding the provisions of General Conservation Order No. M–9–c.

(f) *Inventory restrictions.* No manufacturer of portable fans shall accumulate, for use in the manufacture of such fans, inventories of raw materials, semi-processed materials, or finished parts in quantities in excess of the minimum amount necessary to maintain production of portable fans in the quantities permitted by this order.

(g) *Records.* All persons affected by this order shall keep and preserve, for not less than two years, accurate and complete records concerning inventories, production and sales.

(h) *Audit and inspection.* All records required to be kept by this order shall, upon request, be submitted to audit and inspection by duly authorized representatives of the War Production Board.

(i) *Reports.* Each manufacturer to whom this order applies shall file with the War Production Board, on or before the fifteenth day after the date of issuance of this order, a report of all the portable fans in his inventory by model on the date of issuance of this order, together with such other reports and questionnaires as said Board shall from time to time require.

(j) *Appeal.* Any appeal from the provisions of this order must be made on Form PD–500 and must be filed with the field office of the War Production

[1] 7 F.R. 3424, 3660, 3745, 4205, 4480, 4535, 5344, 5902, 6162, 6866.

Board for the district in which is located the plant to which the appeal relates.

(k) *Applicability of priorities regulations.* This order and all transactions affected thereby are subject to all applicable provisions of Priorities Regulations of the War Production Board as amended from time to time.

(l) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States, is guilty of a crime and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of or from processing or using material under priority control and may be deprived of priorities assistance.

(m) *Communications.* All reports to be filed and other communications concerning this order should be addressed to the War Production Board, Washington, D. C., Ref.: L-176. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 5th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42-8816; Filed, September 5, 1942; 11:14 a. m.]

PART 3059—PHTHALIC ANHYDRIDE

[General Preference Order M-214]

The fullfillment of requirements for the defense of the United States has created a shortage in the supply of phthalic anhydride for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3059.1 *General Preference Order M-214*—(a) *Definitions.* For purposes of this order:

(1) "Phthalic anhydride" means the anhydride of phthalic acid in any form and from whatever source derived.

(2) "Supplier" means any producer or distributor of phthalic anhydride.

(3) "Producer" means any person who produces phthalic anhydride.

(4) "Distributor" means any purchaser of phthalic anhydride from a producer for purpose of resale without further processing.

(b) *Restrictions on use and delivery of phthalic anhydride.* (1) On and after October 1, 1942, no supplier shall use or deliver phthalic anhydride, and no person shall accept delivery of phthalic anhydride from a supplier, except as specifically authorized by the Director General for Operations upon application pursuant to paragraph (d), or as provided in paragraph (c).

(2) Each person specifically authorized to accept delivery of phthalic anhydride shall use such phthalic anhydride for the purpose authorized, except as otherwise specifically directed.

(3) The Director General for Operations in his discretion may at any time issue special directions to any person with respect to the use or delivery of phthalic anhydride by such person, notwithstanding the provisions of paragraph (c) hereof, or special directions to any producer with respect to the kinds of phthalic anhydride which he may or must manufacture.

(c) *Small order exemption.* (1) Any person may accept delivery of, and any supplier may use 700 pounds or less of phthalic anhydride in the aggregate during any one calendar month without specific authorization under this order: *Provided,* That such person (or supplier) has not been specifically authorized to use or accept delivery of any quantity of phthalic anhydride during such month.

(2) No delivery of 50 pounds or more of phthalic anhydride shall be made or accepted pursuant to this paragraph unless and until the person accepting delivery shall certify in writing to the person making delivery that such delivery is accepted within the terms of paragraph (c) (1).

(3) Any supplier may deliver phthalic anhydride without specific authorization to any person entitled to accept delivery pursuant to this paragraph, provided that:

(i) No producer shall deliver an aggregate amount of phthalic anhydride in any one calendar month pursuant to this paragraph in excess of 2% of the amount of phthalic anhydride which he is specifically authorized to deliver during such month; and

(ii) No supplier shall make deliveries during any month pursuant to this paragraph if such deliveries will prevent completion of any deliveries which have been specifically authorized for such month; and

(iii) Any supplier may make deliveries pursuant to this paragraph without regard to preference ratings.

(d) *Applications and reports.* (1) Each person seeking authorization to accept delivery of phthalic anhydride, and each supplier seeking to use (or accept delivery of) phthalic anhydride during any calendar month, shall file application on or before the 15th day of the month preceding the month for which authorization for use or delivery is requested. Such application shall be made on Form PD-600, in the manner prescribed therein, subject to the following instructions for the purpose of this order:

(i) Copies of Form PD-600 may be obtained at local field offices of the War Production Board.

(ii) Five copies shall be prepared, of which one shall be forwarded to supplier and three certified copies to the War Production Board, Chemicals Branch, Washington, D. C., Ref.: M-214.

(iii) In the heading, under name of chemical, specify phthalic anhydride; under War Production Board order, specify M-214; under name of company, specify name and mailing address; under unit of measure, specify pounds; and specify the month and year for which authorization for use or acceptance of delivery is sought.

(iv) In Columns (1), (11) and (19) specify the particular quality or physical form ordered, such as, pure, technical, off-color, flake, powdered, etc.

(v) In Columns (3), (20) and (22), specify primary product in terms of the following:

Esters (identify).
Resins.
Dyes and intermediates.
Pharmaceuticals.
Miscellaneous.
Export (as phthalic anhydride).
Resale (as phthalic anhydride).
Inventory.

Suppliers as defined in this order shall add after "resale" the words "upon authorization on Form PD-601, or pursuant to paragraph (c)".

(vi) Column (4) shall be left blank except as follows:

Opposite miscellaneous show the groupings, as far as possible, of the more important miscellaneous primary products.

Opposite inventory, specify the amount considered necessary, if any, to bring the applicant's inventory to a safe working minimum; the ratings called for by Columns 5, 6, 7, and 8 need not be filled in opposite inventory in Column 3.

(2) Each supplier seeking authorization to make delivery of phthalic anhydride during any calendar month shall file application on or before the 22nd day of the month preceding the month for which authorization is requested. Such application shall be made on Form PD-601, in the manner prescribed therein, subject to the following instructions for the purpose of this order:

(i) Copies of Form PD-601 may be obtained at local field offices of the War Production Board.

(ii) Prepare four copies and forward three certified copies to the War Production Board, Chemicals Branch, Washington, D. C., Ref.: M-214.

(iii) Suppliers who have filed application on Form PD-600, specifying themselves as their suppliers, shall list their own names as customers on Form PD-601, and shall list their request for allocation in the manner prescribed for other customers.

(iv) In the heading, under name of chemical specify phthalic anhydride; under War Production Board order, specify M-214; under name of company, state name and mailing address; under unit of measure specify pounds; and state the month and year during which deliveries covered by your application are to be made.

(v) In Columns 3 and 8, specify grades as stated in customer's Form PD-600. Any objection to such grade should be noted in Column 7, in which any other pertinent comments should be noted.

(vi) The supplier may, if he wishes, leave Column 5 blank.

(vii) No statement need be made with respect to deliveries which may be made during the next month pursuant to paragraph (c) of this order.

(viii) If it is necessary to use more than one sheet to list customers, number each sheet in order and show grand totals for all sheets on the last sheet, which is the only one that need be certified.

(3) The Director General for Operations may require each person affected by this order to file such other reports as may be prescribed, and may issue special directions to any such person with respect to preparing and filing forms PD-600 and 601.

(e) *Notification of customers.* Each supplier shall notify his regular customers as soon as possible of the requirements of this order, but failure to receive such notice shall not excuse any person from complying with the terms hereof.

(f) *Miscellaneous provisions*—(1) *Applicability of priorities regulations.* This order and all transactions affected hereby are subject to all applicable provisions of War Production Board priorities regulations, as amended from time to time.

(2) *Effect of other orders.* Nothing contained in this order shall be construed to limit the restrictions imposed by any other order of the War Production Board.

(3) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(4) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to: War Production Board, Chemicals Branch, Washington, D. C. Ref.: M-214.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 5th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42-8819; Filed, September 5, 1942, 11:15 a. m.]

PART 3060—GLYCOLS

[General Preference Order M-215]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of glycols for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3060.1 *General Preference Order M-215*—(a) *Definitions.* For the purpose of this order:

(1) "Glycols" means ethylene glycol, propylene glycol, diethylene glycol, triethylene glycol and physical mixtures of such glycols.

(2) "Supplier" means any producer or distributor of glycols.

(3) "Producer" means any person who produces glycols.

(4) "Distributor" means any purchaser of glycols from a producer for purpose of resale without further processing or admixing.

(5) "Anti-freeze or motor coolant preparation" means any such preparation which is complete and ready for use without the addition of any further ingredients other than water, and which does not consist of glycols alone.

(b) *Restrictions on use and delivery of glycols.* (1) On and after October 1, 1942, no supplier shall use or deliver glycols, and no person shall accept delivery of glycols from a supplier, except as specifically authorized by the Director General for Operations upon application pursuant to paragraph (e) hereof, or as provided in paragraphs (c) or (d) hereof.

(2) Each person specifically authorized to accept delivery of glycols shall use such glycols only for the purpose authorized, except as otherwise specifically directed by the Director General for Operations.

(3) The Director General for Operations in his discretion may at any time issue special directions to any person with respect to the use or delivery of glycols by such person, or special directions to any producer with respect to the kinds of glycols which he may or must manufacture. Such directions may supersede the provisions of paragraphs (c) or (d) hereof.

(c) *Small order exemption for industrial and experimental uses.* (1) Any person may accept delivery of, and any supplier may use 55 gallons or less of each of any two kinds of glycols during any one calendar month without specific authorization under this order, provided such glycols are not of the same kinds which have been specifically allocated to such person or supplier during such month, and provided that such glycols are not used or received by such person or supplier for automotive anti-freeze or motor coolant use or for the manufacture of any automotive anti-freeze or motor coolant preparation.

(2) No delivery of more than 5 gallons of glycols shall be made or accepted pursuant to this paragraph unless and until the person accepting delivery shall certify in writing to the person making delivery that such delivery is accepted within the terms of this paragraph.

(3) Any supplier may deliver glycols without specific authorization to any person entitled to accept delivery pursuant to this paragraph, provided that:

(i) No producer shall deliver an aggregate amount of any one kind of glycol in any one calendar month pursuant to this paragraph in excess of 1% of the amount of such glycol which he is specifically authorized to deliver during such month; and

(ii) No supplier shall make deliveries pursuant to this paragraph if such deliveries would prevent completion of any deliveries which have been specifically authorized for the current month; and

(iii) Any supplier may make deliveries pursuant to this paragraph without regard to preference ratings.

(d) *Anti-freeze deliveries.* The restrictions of this order shall govern the use of glycols by any supplier in the manufacture of anti-freeze or motor coolant preparations, provided that:

(1) Any supplier may deliver completed anti-freeze or motor coolant preparations containing glycols without specific authorization under this order; and

(2) Nothing contained in this order shall be construed to permit the manufacture of anti-freeze in violation of § 1100.1 *General Limitation Order L-51.*[1]

(e) *Applications and reports.* (1) Each person seeking authorization to accept delivery of glycols, and each supplier seeking to use (or accept delivery of) glycols during any calendar month, shall file application on or before the 16th day of the month preceding the month for which authorization for use or delivery is requested. Such application shall be made on Form PD-600, in the manner prescribed therein, subject to the following instructions for the purpose of this order:

(i) Copies of Form PD-600 may be obtained at local field offices of the War Production Board.

(ii) For each kind of glycol requested a set of five copies shall be prepared, of which one shall be forwarded to supplier and three certified copies to the War Production Board, Chemicals Branch, Washington, D. C., Ref.: M-215.

(iii) In the heading, under name of chemical specify the particular glycol requested (for example, "ethylene glycol"). Physical mixtures of glycols shall be referred to as "mixed glycols" and an approximate analysis given. Under WPB order specify M-215. Under name of company state name and mailing address. Under unit of measure specify pounds.

(iv) Columns 1 and 3 shall be left blank.

(v) In Column 2, specify requested quantity for each of the separate uses listed in Column 4.

(vi) In Column 4, specify product use according to the following classifications:

Anti-freeze (specify military or civilian).
Dynamite.
Cellophane plasticizer.
Rayon yarn processing.
Brake and hydraulic fluids.
Tobacco humectant.

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[1] F.R., 3573, 5662.

General textile—describe; (example: coupling agent, soluble oil, dye solvent, softener, etc.).
Chemical manufacturing (identify product).
Cutting oils.
General plasticizer—describe (examples: cork, adhesives, coatings, etc.).
De-icer fluid.
Radio condenser fluid.
Air or gas dehydration.
Molding sand binder.
Drugs.
Cosmetics.
Foods and flavors.
Coolant (specify military or industrial).
Miscellaneous (describe briefly).
Export (as glycol).
Inventory.

(vii) Columns 11, 19, 20, 21, 22 and 23 shall be left blank.

(2) Each supplier seeking authorization to make delivery of glycols during any calendar month shall file application on or before the 23rd day of the month preceding the month for which authorization is requested. Such application shall be made on Form PD-601, in the manner prescribed therein, subject to the following instructions for the purpose of this order:

(i) Copies of Form PD-601 may be obtained at local field offices of the War Production Board.

(ii) Suppliers shall prepare one set of forms for each glycol scheduled. Producers shall file for producing points only and shall include wholly owned warehouse stocks as part of their total stocks. Distributors shall file separately for each distributing point. Four copies of each set shall be prepared and three certified copies shall be forwarded to the War Production Board, Chemicals Branch, Washington, D. C., Ref.: M-215.

(iii) Suppliers who have filed application to use glycols on Form PD-600, specifying themselves as their suppliers, shall list their own names as customers on Form PD-601, and shall list their request for allocation in the manner prescribed for other customers.

(iv) In the heading, under the name of chemical specify the particular glycol being scheduled (for example, "ethylene glycol"). Physical mixtures of glycols shall be referred to as "mixed glycols" and an approximate analysis given. Under WPB order specify M-215, under name of company state name and mailing address, and under unit of measure specify pounds.

(v) Columns 3 and 8 shall be left blank.

(vi) The supplier may, if he wishes, leave Column 5 blank.

(vii) If it is necessary to use more than one sheet to list customers, number each sheet in order and show grand totals for all sheets on the last sheet, which is the only one that need be certified.

(3) The Director General for Operations may require each person affected by this order to file such other reports as may be prescribed, and may issue special directions to any such person with respect to preparing and filing Forms PD-600 and PD-601.

(f) *Notification of customers.* Each supplier shall notify his regular customers as soon as possible of the requirements of this order, but failure to receive such notice shall not excuse any person from complying with the terms hereof.

(g) *Miscellaneous provisions*—(1) *Applicability of priorities regulations.* This order and all transactions affected hereby are subject to all applicable provisions of War Production Board Priorities Regulations, as amended from time to time.

(2) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(3) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to: War Production Board, Chemicals Branch, Washington, D. C. Ref.: M-215.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

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AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42-8820; Filed, September 5, 1942; 11:15 a. m.]

PART 3068—THEOBROMINE AND CAFFEINE

[Conservation Order M-222]

The fulfillment of requirements for the defense of the United States has created a shortage in the supplies of theobromine and caffeine for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the war effort:

§ 3068.1 *General Conservation Order M-222*—(a) *Definitions.* For the purposes of this order:

(1) "Theobromine" means 3:7-dimethylxanthine, whether synthetic or natural, in crude or refined form. The term shall include any compound of theobromine including, but not limited to, theobromine sodium-acetate and theobromine with sodium salicylate, but shall not include standard dosage forms (tablets, capsules, ampules, solutions, etc.).

(2) "Caffeine" means 1:3:7-trimethylxanthine, whether synthetic or natural, in crude or refined form. The term shall include any compound of caffeine including, but not limited to, caffeine citrated, caffeine with sodium benzoate and caffeine with sodium salicylate, but shall not include standard dosage forms (tablets, capsules, ampules, solutions, etc.).

(3) "Producer" means any person engaged in the production or refining of theobromine or caffeine, as defined above, and includes any person who imports theobromine or caffeine or has theobromine or caffeine produced or refined for him pursuant to toll agreement.

(4) "Retailer" means any person who purchases theobromine or caffeine solely for the purpose of resale directly to the ultimate consumer for medicinal use.

(5) "Wholesaler" means any person who purchases theobromine or caffeine solely for the purpose of resale directly to retailers without further processing and without changing the form thereof.

(6) "Distributor" means any person (other than a wholesaler or retailer) who purchases theobromine or caffeine from a producer solely for the purpose of resale without further processing and without changing the form thereof.

(b) *Restrictions on use and delivery of theobromine and caffeine.* (1) On and after October 1, 1942, no producer shall use any theobromine or caffeine other than stocks in his hands on said date, no producer or distributor shall deliver any theobromine or caffeine, and no person (other than a wholesaler or retailer) shall accept delivery of any theobromine or caffeine except as specifically authorized by the Director General for Operations upon application pursuant to paragraph (d) of this order or except as provided in paragraph (c) of this order.

(2) Each person who shall accept delivery of theobromine or caffeine pursuant to specific authorization of the Director General for Operations shall use such theobromine or caffeine in accordance with the representations made by him in his application for such authorization.

(3) The Director General for Operations in his discretion may at any time issue special directions to any person with respect to the use and delivery of theobromine or caffeine by such person.

(c) *Exception.* Specific authorization pursuant to paragraph (b) (1) of this order shall not be required with respect to the delivery to any person or the acceptance of delivery or use by any person of two pounds or less of theobromine and two pounds or less of caffeine during any one calendar month. Such use or delivery may be made without regard to preference ratings.

(d) *Applications and reports.* (1) Each person seeking authorization, as required by paragraph (b) (1) of this order, to accept delivery of and use theobromine or caffeine during any calendar month shall place his purchase order with his supplier on or before the twelfth day of the month preceding the month for which authorization to accept delivery is requested, and shall file two copies of Form PD-600 with the War Production Board on or before such date. (Copies of this form may be obtained at the local offices of the War Production Board.) He shall also send one copy of such form to his supplier along with his purchase order.

Any producer seeking authorization to use theobromine or caffeine during any calendar month shall file two copies of Form PD–600 with the War Production Board on or before such date. Any persons, including producers, filing Form PD–600 as required by this paragraph (d) (1) shall prepare such form in the manner prescribed therein, subject to the following instructions:

(i) *Heading:* Specify either "theobromine" or "caffeine" in heading, using separate set of forms for each. Specify WPB Order No. "M–222". As unit of measure, specify "pounds". A separate set of forms must be filed for each supplier with whom a purchase order is placed.

(ii) *Column 1, grade:* Specify the quality, for example: crude; refined; caffeine USP; caffeine alkaloid anhydrous; caffeine citrated USP; caffeine with sodium benzoate USP; theobromine sodium-acetate USP; etc.

(iii) *Column 3, primary product:* Specify the exact product or products to be produced in which the theobromine or caffeine will be used or incorporated. (Distributors should disregard this column as well as Columns 20 and 22.)

(iv) *Column 4, product use:* Specify "medicinal", "beverage", or any other use. (Distributors should specify "resale".)

(2) Each producer and each distributor seeking authorization, as required by paragraph (b) (1) of this order, to make deliveries of theobromine or caffeine shall file with the War Production Board on or before September 20, 1942, and on or before the 20th day of each month thereafter three copies of Form PD–601 (copies of this form may be obtained at the local offices of the War Production Board) prepared in the manner prescribed therein, subject to the following specific instructions:

(i) *Heading:* Specify either "theobromine" or "caffeine" in heading, using separate set of forms for each. Specify WPB Order No. "M–222". As unit of measure, specify "pounds". A separate set of forms must be filed for each plant or warehouse. Check whether producer or distributor.

(ii) *Columns 3 and 8, grade:* Specify the quality, for example: crude; refined; caffeine USP; caffeine alkaloid anhydrous; caffeine citrated USP; caffeine with sodium benzoate USP; theobromine sodium-acetate USP; etc.

(3) The Director General for Operations may issue additional instructions from time to time concerning the preparation and filing of Forms PD–600 and PD–601.

(4) All persons affected by this order shall file such other reports as may be required from time to time by the War Production Board.

(e) *Production of theobromine and caffeine.* Each producer shall comply with such directions as may be given from time to time by the Director General for Operations with respect to the production of theobromine and caffeine.

(f) *Restrictions on methylation of theobromine.* (1) Unless otherwise authorized or directed by the Director General for Operations, no producer shall hereafter methylate theobromine to caffeine except (i) to fill purchase orders for caffeine which he has been specifically authorized to fill pursuant to paragraph (b) (1) of this order, and/or (ii) to maintain a practicable minimum working inventory of caffeine.

(2) No producer shall, during any calendar month, methylate any theobromine to caffeine unless and until provision has been made by such producer to make all deliveries of theobromine which have been directed by the Director General for Operations to be made by him during such month.

(g) *Notification of customers.* Producers and distributors shall, as soon as practicable, notify each of their regular customers of the requirements of this order, but failure to give such notice shall not excuse any such person from the obligation of complying with the terms of this order.

(h) *Applicability of priorities regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the priorities regulations of the War Production Board, as amended from time to time.

(i) *Intra-company deliveries.* The prohibitions and restrictions of this order with respect to deliveries of theobromine or caffeine shall apply not only to deliveries to other persons, including affiliates and subsidiaries, but also to deliveries from one branch, division or section of a single enterprise to another branch, division or section of the same or any other enterprise under common ownership or control.

(j) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact, or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(k) *Communications to War Production Board.* All reports and applications required to be filed hereunder, and all communications concerning this order shall, unless otherwise directed, be addressed to: War Production Board, Health Supplies Branch, Washington, D. C., Ref: M–222.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 5th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

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PART 3070—FURFURAL

[General Preference Order M–224]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of furfural for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3070.1 *General Preference Order M–224*—(a) *Definitions.* For the purpose of this order:

(1) "Furfural" means monomeric furfuryl aldehyde from whatever source derived.

(2) "Producer" means any person who produces furfural.

(3) "Distributor" means any purchaser of furfural from a producer for purpose of resale without further processing.

(b) *Restrictions on use and delivery of furfural.* (1) On and after October 1, 1942, no producer or distributor shall use or deliver furfural, and no person shall accept delivery of furfural from a producer or distributor, except as specifically authorized by the Director General for Operations upon application pursuant to paragraph (d), or as provided in paragraph (c).

(2) Each person specifically authorized to accept delivery of furfural shall use such furfural for the purpose authorized, except as otherwise specifically directed.

(3) The Director General for Operations in his discretion may at any time issue special directions to any person with respect to the use or delivery of furfural by such person, notwithstanding the provisions of paragraph (c).

(c) *Small order exemption.* (1) Any person may accept delivery of, and any producer or distributor may use, 55 gallons or less of furfural in the aggregate during any one calendar month without specific authorization: *Provided,* That such person has not been specifically authorized to use or accept delivery of any quantity of furfural during such month.

(2) No delivery of 5 gallons or more of furfural shall be made or accepted pursuant to this paragraph unless and until the person accepting delivery shall certify in writing to the person making delivery that such delivery is accepted within the terms of paragraph (c) (1).

(3) Any producer or distributor may deliver furfural without specific authorization to any person entitled to accept delivery pursuant to this paragraph, provided that:

(i) No producer shall deliver an aggregate amount of furfural in any one calendar month pursuant to this paragraph in excess of 2% of the amount of furfural which he is specifically authorized to deliver during such month; and

(ii) No producer or distributor shall make deliveries during any month pursuant to this paragraph if such deliveries will prevent completion of any deliveries which have been specifically authorized for such month; and

(iii) Any producer or distributor may make deliveries pursuant to this paragraph without regard to preference ratings.

(d) *Applications and reports.* (1) Each person seeking authorization to accept delivery of furfural, and each producer or distributor seeking to use or accept delivery of furfural during any calendar month, shall file application on or before the 15th day of the month preceding the month for which authorization for use or delivery is requested. Such application shall be made on Form PD–600, in the manner prescribed therein, subject to the following instructions for the purpose of this order:

(i) Copies of Form PD–600 may be obtained at local field offices of the War Production Board.

(ii) Five copies shall be prepared, of which one shall be forwarded to supplier and three certified copies to the War Production Board, Chemicals Branch, Washington, D. C., Ref : M–224.

(iii) In the heading, under name of chemical, specify furfural; under War Production Board order, specify M–224; under name of company, specify name and mailing address; under unit of measure, specify pounds; and specify the month and year for which authorization for use or acceptance of delivery is sought.

(iv) Columns 1 and 11 shall be left blank.

(v) In Column 3 specify primary product in terms of the following:

Gas purification.	Miscellaneous.
Resins.	Export (as furfural).
Petroleum refining.	Resale (as furfural).
Rosin refining.	Inventory.
Abrasive wheel binder.	
Hydrogenation.	

(vi) In Column 4:

Identify gas purified.
State end-use of resins, insofar as practicable, such as, general molding, oil filter binder, etc.
Opposite petroleum or rosin refining in Column 3, leave Column 4 blank.
State name of product produced by hydrogenation.

Opposite miscellaneous show the groupings, as far as possible, of the more important miscellaneous primary products.

Opposite inventory, specify the amount considered necessary, if any, to bring the applicant's inventory to a safe working minimum; the ratings called for by Columns 5, 6, 7, and 8 need not be filled in opposite inventory in Column 3. Furfural allocated for inventory shall not be used or consumed without further authorization.

(vii) Tables III and IV shall be left blank.

(2) Each producer or distributor seeking authorization to make delivery of furfural during any calendar month shall file application on or before the 22nd day of the month preceding the month for which authorization is requested. Such application shall be made on Form PD–601, in the manner prescribed therein, subject to the following instructions for the purpose of this order:

(i) Copies of Form PD–601 may be obtained at local field offices of the War Production Board.

(ii) Prepare four copies and forward three certified copies to the War Production Board, Chemicals Branch, Washington, D. C., Ref:M–224.

(iii) Producers or distributors who have filed application on Form PD–600, specifying themselves as their suppliers, shall list their own names as customers on Form PD–601, and shall list their request for allocation in the manner prescribed for other customers.

(iv) In the heading, under name of chemical, specify furfural; under War Production Board order, specify M–224; under name of company, state name and mailing address; under unit of measure specify pounds; and state the month and year during which deliveries covered by the application are to be made.

(v) Columns 3 and 8 shall be left blank.

(vi) Column 5 may, at discretion, be left blank.

(vii) No statement need be made with respect to small order deliveries which may be made during the next month pursuant to paragraph (c) of this order.

(viii) If it is necessary to use more than one sheet to list customers, number each sheet in order and show grand totals for all sheets on the last sheet, which is the only one that need be certified.

(3) The Director General for Operations may require each person affected by this order to file such other reports as may be prescribed, and may issue special directions to any such person with respect to preparing and filing forms PD–600 and PD–601.

(e) *Notification of customers.* Each supplier shall notify his regular customers as soon as possible, of the requirements of this order, but failure to receive such notice shall not excuse any person from complying with the terms hereof.

(f) *Miscellaneous provisions.* (1) *Applicability of priorities regulations.* This order and all transactions affected thereby are subject to all applicable provisions of War Production Board Priorities Regulations, as amended from time to time.

(2) *Effect of other orders.* Nothing contained in this order shall be construed to limit the requirements of any other order of the War Production Board.

(3) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(4) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to: War Production Board, Chemicals Branch, Washington, D. C., Ref.: M–224.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 5th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42–8822; Filed, September 5, 1942; 11:15 a. m.]

PART 3074—DICHLORETHYL ETHER

[General Preference Order M–226]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of dichlorethyl ether for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3074.1 *General Preference Order M–226*—(a) *Definitions.* For the purposes of this order: (1) "Dichlorethyl ether" means a chlorinated ether having a specific gravity of 1.219 to 1.224 at 20° C. and having a boiling point range of 170° to 180° C. at 760 m.

(2) "Producer" means any person engaged in the production of dichlorethyl ether and includes any person who has such material produced for him pursuant to toll agreement.

(3) "Distributor" means any person who has purchased or purchases dichlorethyl ether for purposes of resale.

(b) *Restrictions on use and delivery.* (1) On and after October 1, 1942 no producer or distributor shall use, and no person shall deliver, dichlorethyl ether except as specifically authorized by the Director General for Operations upon application pursuant to paragraph (d) hereof, and no person shall accept any delivery of such material which he knows or has reason to believe is made in violation of this order.

(2) Each person accepting delivery of dichlorethyl ether pursuant to specific authorization of the Director General for Operations shall use such material only for the purposes specified in such authorization.

(3) Each person affected by this order shall comply with such directions as may be given from time to time by the Director General for Operations with respect to the use or delivery of dichlorethyl ether.

(c) *Directions with respect to production and inventories.* (1) Each producer shall comply with such directions as may be given from time to time by the Director General for Operations with respect to the production of dichlorethyl ether.

(2) Each person affected by this order shall comply with such directions as may be given from time to time by the Director General for Operations with respect to the establishment of inventories of dichlorethyl ether.

(d) *Applications and reports.* In addition to such other reports as may from time to time be required by the Director General for Operations:

(1) Each producer or distributor seeking authorization to use, and each person seeking authorization to accept delivery of, any dichlorethyl ether pursuant to paragraph (b) (1) hereof, shall apply therefor on Form PD-600. Such applicant shall file with the War Production Board the original and two copies of such form on or before the 15th day of the month preceding the month for which authorization for use or delivery is requested and shall file with his supplier one copy of such form on or before the 15th day of such month if the supplier is a producer or on or before the 10th day of such month if the supplier is a distributor, which form shall be prepared in the manner prescribed therein, subject to the following specific instructions:

(i) *Heading.* Specify "dichlorethyl ether" and order number "M-226" and specify pounds as the unit of measure and in addition to specifying the delivery destination, indicate the address to which communications should be directed.

(ii) *Columns 1, 11 and 19.* Specify crude or refined.

(iii) *Columns 3, 20 and 22.* In the case of a distributor, specify "Resale pursuant to further authorization". In the case of a consumer, specify "dichlorethyl ether."

(iv) *Column 4.* In the case of a distributor, disregard. In the case of a consumer, specify purification of butadiene, stock-piling, treatment of lubricating oil, manufacture of insecticides or other. If "other" is specified, describe briefly.

(2) Each producer and distributor seeking authorization to deliver dichlorethyl ether pursuant to paragraph (b) (1) hereof, shall apply therefor on Form PD-601. Such applicant shall file with the War Production Board the original and two copies of such form on or before the 20th day of the month preceding the month for which such authorization is requested, which form shall be prepared in the manner prescribed therein, subject to the following specific instructions:

(i) *Heading.* Specify "dichlorethyl ether" and order number "M-226" and specify pounds as the unit of measure and in addition to specifying the plant or warehouse address, indicate the address to which communications should be directed.

(ii) *Columns 3 and 8.* Specify crude or refined.

(e) *Notification of customers.* Producers and distributors shall, as soon as practicable, notify each of their regular customers of the requirements of this order, but failure to give such notice shall not excuse any such person from complying with the terms hereof.

(f) *Miscellaneous provisions.* (1) *Applicability of priorities regulations.* This order and all transactions affected hereby are subject to all applicable provisions of War Production Board Priorities Regulations, as amended from time to time.

(2) *Intra-company deliveries.* The prohibitions and restrictions of this order with respect to deliveries of dichlorethyl ether, shall apply not only to deliveries to other persons, including affiliates and subsidiaries, but also to deliveries from one branch, division or section of a single enterprise to another branch, division or section of the same or any other enterprise under common ownership or control.

(3) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact, or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(4) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to: War Production Board, Chemical Branch, Washington, D. C. Ref.: M-226.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 5th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42-8823; Filed, September 5, 1942; 11:16 a. m.]

PART 950—CUTTING TOOLS

[Amendment 1 to General Preference Order E-2-b]

Section 950.3 *General Preference Order E-2-b*[1] is hereby amended as follows:

(1) The endorsement specified in subparagraph (2) (ii) of paragraph (b) is hereby amended to read as follows:

All cutting tools specified on this order are special cutting tools required by the undersigned as a result of change in design or other alteration in the specifications of the product being produced by a prime or subcontractor of the Army, Navy, Maritime Commission, or War Shipping Administration. Their delivery will not at any time effect an increase of such cutting tools in the undersigned's inventory beyond a 90-day supply, except as permitted in paragraph (d) (3) of General Preference Order No. E-2-b, with the terms of which the undersigned is familiar.

_____
Name and address of purchaser

By_____
Authorized signature

(2) Subparagraph (4) of paragraph (d) is hereby amended to read as follows:

(4) In no event shall any person sell or deliver to the same purchaser, nor shall any person buy or accept delivery from one or more sellers of, more than three sets of special cutting tools of the same type and size pursuant to paragraph (b) (2) (iii) hereof, by reason of any single change in design or other alteration in the specifications of the product being produced by a prime or subcontractor of the Army, Navy, Maritime Commission, or War Shipping Administration.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 7th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42-8852; Filed, September 7, 1942; 11:10 a. m.]

PART 1024—PIGS' AND HOGS' BRISTLES

[Amendment 3 to General Preference Order M-51]

Section 1024.1 *General Preference Order M-51*[1] is hereby amended as follows:

(1) Paragraph (b) (1) is amended to read as follows:

(i) "Bristles" shall mean pigs' or hogs' bristles of the lengths of two inches and longer, whether new or reclaimed and whether imported or not.

(2) Paragraph (h) is amended to read as follows:

(h) *Conservation of bristles.* No person shall use any bristles in the manufacture of any product unless such person shall use in the manufacture of such product a bristle mixture containing not less than 45% of material other than pigs' or hogs' bristles of any length whatever: *Provided, however,* That nothing in this paragraph shall apply to any product purchased by or for the account of the United States Army, Navy, Maritime Commission or War Shipping Administration manufactured in accordance with specifications expressly required to be observed by the purchase order of the particular department or agency concerned, or to any product manufactured in accordance with applicable State, County or Municipal health regulations or orders in effect September 7, 1942.

[1] 7 F.R. 6867.

[1] 6 F.R. 6425; 7 F.R. 750, 4326.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F. R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 7th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42-8855; Filed, September 7, 1942; 11:10 a. m.]

PART 1095—COMMUNICATIONS

[General Conservation Order L-50, as Amended September 7, 1942]

TO LIMIT THE USE OF SCARCE AND CRITICAL MATERIALS BY THE WIRE TELEPHONE INDUSTRY

General Conservation Order L-50[1] (§ 1095.1) is hereby amended to read as follows:

§ 1095.1 *General Conservation Order L-50*—(a) *Definitions.* For the purposes of this order:

(1) "Operator" means any individual, partnership, association, business trust, corporation, receiver, or any form of enterprise whatsoever, whether incorporated or not, the United States, the District of Columbia, any state or territory of the United States, and any political, corporate, administrative or other division or agency thereof, to the extent engaged in rendering telephone communication service (and such telegraph and teletypewriter service as may also be conducted by him) within, to, or from the United States, its territories or possessions.

(2) "Exchange line plant" means all that portion of an operator's local wire or cable distribution system which extends from the central office main frame, exclusive of poles, crossarms, insulators and non-metallic conduit and exclusive of drop and block wires as defined in the Federal Communications Commission's Uniform System of Accounts, Class A and B Telephone Companies, § 31.233 (a).

(3) Without regard to whether or not the expenditures therefor are for any reason required to be recorded in the operator's accounting records in accounts other than maintenance and repair:

(i) "Maintenance" means the upkeep of an operator's property and equipment in sound working condition.

(ii) "Repair" means the restoration, without thereby increasing existing facilities, of an operator's property and equipment which has been rendered unsafe or unfit for service by wear and tear, damage, destruction of parts, or similar cause.

(b) *General.* All operators shall:

(1) Conserve scarce and critical materials by the employment of all practical methods such as: the use of such types of equipment and facilities as will reduce the use of such materials to a practical minimum and meet necessary service requirements, the substitution of less scarce materials, when such substitution can be made without serious loss of efficiency, the reuse of existing telephone equipment and facilities.

(2) Discontinue the further installation of residence extensions, jacks and plugs therefor, and the employment of additional main lines or stations on party lines in substitution thereof.

(3) Discontinue the placing of open copper wire in exchange line plant.

(c) *Restrictions on replacements.* All operators shall:

(1) limit the replacement of all equipment and facilities to the essential requirements of maintenance, repair or protection of existing service, except where necessary to provide:

(i) A permanent installation in lieu of one temporarily made to meet an exigency.

(ii) A substitution of facilities necessitated either by decreased service demands or by a regrading in service in accordance with paragraph (d) (1) (ii).

(d) *Reservations and regrading.* All operators shall:

(1) To the extent necessary to meet the known or fairly anticipated demands for service of the kind included in paragraphs (e) (1) (i) and (e) (1) (ii):

(i) Make a reservation of facilities, either by agreement with interim subscribers or by such other method as will assure their immediate recovery, for the service requirements of the kind included in paragraphs (e) (1) (i) and (e) (1) (ii)

(ii) Employ party line service and make available such additional facilities as may be necessary by regrading existing service whenever current installations of central office equipment and the requirements of affected business subscribers will permit.

(e) *Limitations on additions.* All operators shall:

(1) Limit additions of exchange central office equipment and exchange line plant to such as are essential to the maintenance or protection of existing service, except that, when no additional facilities may be recovered or made available by the methods described in paragraph (d) above, additions may be made to the extent necessary:

(i) To meet the known or fairly anticipated demands for service essential to persons engaged in direct defense or charged with responsibility for public health, welfare or security including, but not limited to, those in the service categories shown in Schedule A attached; where their employment in direct defense or their responsibilities for public health, welfare, or security require such service for the proper discharge of such duties.

(ii) To provide for the installation of public pay stations to meet essential public demands.

(iii) To provide minor cable or line rearrangements or extensions required in existing exchange line plant, in order to make available for use additional facilities not otherwise usable, except that in no single instance shall more than 100 pounds of copper or 50 pounds of steel wire be used therefor, nor shall any operator so divide a single job or project as to qualify it hereunder.

(f) *Engineering and planning.* All operators shall:

(1) Engineer all replacements and additions to exchange plant so as to limit the margins for expected growth of service requirements of the kind described in paragraphs (e) (1) (i) and (e) (1) (ii), to a period not in excess of one-half the period for which provision would be normally made, but in no event to exceed a period of three years.

(2) Engineer all replacements or additions to toll plant so as to limit the margins for expected growth of service requirements to a period not in excess of one-half the period for which provision would be normally made, but in no event to exceed a period of three years; provided, however, that this requirement shall not require the limitation of the margins of such growth to a period less than one year, and provided, further, that conductors in cables designed or suitable for use with carrier current systems may be provided (but not equipped) in such numbers that, when fully utilized by present or immediate contemplated carrier current system technique, they will provide for margins for expected growth of one-half the normal provision for such growth, even though such provision exceeds a three-year period.

(g) *Non-applicability to certain replacements and additions.* The terms of paragraphs (c), (e), and (f) shall not prohibit replacements and/or additions which may be authorized hereafter by the Director General for Operations of the War Production Board by the issuance of (1) A preference rating certificate pursuant to an application for priorities assistance on Form PD-1A or PD-200; or (2) An order specifically authorizing such replacement and/or addition.

(h) *Reports.* Each operator who utilizes copper under the provisions of paragraph (e) (1) (iii) shall make monthly reports of such usage to the War Production Board on Form PD-536.

(i) *Exemption of armed services.* The restrictions of this order shall not apply to replacements or additions for the official use of the armed services of the United States.

(j) *Appeals.* Any person affected by the order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him may appeal to the War Production Board, setting forth the pertinent facts and the reason he considers he is entitled to relief. The Director General for Operations may thereupon take such action as he deems appropriate.

(k) *Violations.* Any person who wilfully violates any provision of the order or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any depart-

[1] 7 F.R. 3029, 4202, 4272.

ment or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control, and may be deprived of priorities assistance.

(l) *Communications.* All reports required to be filed hereunder, and all communications concerning this Order, shall, unless otherwise directed, be addressed to: War Production Board, Communications Branch, Washington, D. C. Ref.: L–50.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 7th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

SCHEDULE A

GENERAL CATEGORIES OF TELEPHONE SERVICE RELATED TO DIRECT DEFENSE, PUBLIC HEALTH, WELFARE OR SECURITY

1. Official Army, Navy, Marine Corps, Coast Guard, civilian defense services.
2. Official Federal, State, County and Municipal Government services.
3. Official agencies of Foreign Governments.
4. (a) Public or private organizations directly serving the public safety, health or welfare, such as: hospitals, clinics, sanitoria; physicians, surgeons, dentists, nurses, nurses' registries, veterinarians, ambulance services, manufacturers or distributors (wholesale and retail) of drugs, surgical, medical, hospital or dental supplies or equipment; mortuaries, burial service organizations, the American Red Cross and similar agencies.

(b) Common carriers, pipeline companies, all types of public utilities.

(c) Press associations, newspapers, radio broadcasting stations.

(d) Philanthropic and eleemosynary organizations recognized as such by the Bureau of Internal Revenue, including their fund-raising offices; United Service Organizations and other similar organizations; religious establishments and their officiating clergy; Christian Science Practitioners; public and private schools; and food processing, food distribution (wholesale and retail) and food storage organizations.

5. Business concerns furnishing material, equipment or facilities under prime or subcontracts to the armed services of the United States (and their suppliers); persons rendering special services in connection with construction of "defense projects" as defined under the provisions of Preference Rating Order P-19, such as contractors, engineers, architects, etc.; and labor unions having bona fide collective bargaining agreements with business concerns identified in this Category 5.

6. The business or management offices of new housing developments.

7. Temporary residence extensions from main-line telephones when essential in cases of serious illness.

[F. R. Doc. 42–8853; Filed, September 7, 1942; 11:10 a. m.]

PART 1166—FEMININE APPAREL FOR OUTER WEAR AND CERTAIN OTHER GARMENTS

[Interpretation 1 to General Limitation Order L–85 as Amended July 10, 1942]

The following official interpretation is hereby issued with respect to § 1166.1 *General Limitation Order L–85*, as amended July 10, 1942,[1] paragraph (d) (8):

Feminine apparel made for employees of Government contractors must conform to the restrictions of the order.

The order contains an exception in favor of feminine apparel "manufactured for or sold to the Army or Navy of the United States" and other Government departments or agencies.

This exception does not include feminine apparel manufactured or sold for use by employees of privately-owned plants operating under Government contract, even where the contract provides that the Government may thereafter acquire title to the apparel.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 7th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc 42–8854; Filed, September 7, 1942; 11:10 a. m.]

PART 3066—SHEEP INTESTINES

[General Conservation Order M–220]

§ 3066.1 *General Conservation Order M–220*—(a) *Definitions.* For the purposes of this order:

(1) "Sheep intestine" means any and all parts (other than the cecum) of the entire intestine of a sheep (ovis aries) which are suitable for the manufacture of surgical gut; but the term shall not include the intestine of any sheep slaughtered at any place west of the Continental Divide of the Rocky Mountains.

(2) "Surgical gut" means sterile gut prepared from the longitudinally split segment of sub-mucous connective tissue of the intestines of healthy sheep (ovis aries), meeting U.S.P. standards for diameter and tensile strength.

(3) "Slaughterer" means any person who slaughtered over 100,000 sheep during the 365 day period immediately prior to the date of issuance of this order.

[1] 7 F.R. 5297.

(b) *Restrictions on the use, sale and delivery of sheep intestines.* (1) No slaughterer shall use or process any sheep intestines for purposes other than the manufacture of surgical gut nor sell or deliver any sheep intestines which he knows or has reason to believe will be used or processed for purposes other than the manufacture of surgical gut, until he has filled all purchase orders and contracts in his hands for sheep intestines which are to be processed or prepared for use in the manufacture of surgical gut.

(2) Any person desiring to purchase or accept delivery of sheep intestines from a slaughterer for the purpose of processing or preparing such sheep intestines for use in the manufacture of surgical gut shall make a certification on his purchase order or contract, signed by himself or a duly authorized official, in substantially the following form:

The undersigned hereby certifies that the sheep intestines ordered by this purchase order (or purchased under this contract) will be processed or prepared solely for use in the manufacture of surgical gut. This certification is made in accordance with the terms of Order M–220 with which the undersigned is familiar.

Name _____
By _____
Address _____
Date _____

Such certification shall constitute a representation to the War Production Board and the slaughterer of the facts stated therein. The slaughterer shall be entitled to rely on such representation until he knows or has reason to believe it to be false.

(c) *Intra-company deliveries.* The prohibitions and restrictions of this order with respect to deliveries of sheep intestines shall apply not only to deliveries to other persons, including affiliates and subsidiaries, but also to deliveries from one branch, division or section of a single enterprise to another branch, division or section of the same or any other enterprise under common ownership or control.

(d) *Records.* All persons affected by this order shall keep and preserve for not less than two years accurate and complete records concerning inventories, production, sales, and deliveries, and shall also preserve all purchase orders and contracts affected by the terms of this order.

(e) *Reports.* All persons affected by this order shall file such reports as may be required from time to time by the War Production Board.

(f) *Appeals.* Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship upon him may appeal to the War Production Board, setting forth the pertinent facts and the reasons such person considers that he is entitled to relief. The Director General for Operations may thereupon take such action as he deems appropriate.

(g) *Applicability of priorities regulations.* This order and all transactions

affected thereby are subject to all applicable provisions of the Priorities Regulations of the War Production Board, as amended from time to time.

(h) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(i) *Communications to War Production Board.* All communications concerning this order shall, unless otherwise directed, be addressed to: War Production Board, Health Supplies Branch, Washington, D. C. Ref: M–220. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 7th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42–8856; Filed, September 7, 1942; 11:10 a. m.]

PART 3071—OVERHEAD TRAVELING CRANES

[General Preference Order M–225]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of overhead traveling cranes for defense, for private account and for export; orderly scheduling of production and delivery of overhead traveling cranes is necessary in order that maximum productive efficiency and capacity can be maintained; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense.

§ 3071.1 *General Preference Order M–225*—(a) *Production and delivery of overhead traveling cranes.* (1) Each producer of overhead traveling cranes shall schedule its production and make deliveries of overhead traveling cranes in accordance with such specific directions as may be issued from time to time by the Director General for Operations.

(2) The production and delivery schedules established by any specific direction which may be issued from time to time pursuant to paragraph (a) (1) above shall be maintained without regard to any preference ratings already assigned or hereafter assigned to particular contracts, commitments, or purchase orders and may be altered only upon specific directions of the Director General for Operations.

(3) If it becomes impossible for any producer to maintain production and delivery of overhead traveling cranes in accordance with any such schedule, he shall immediately notify the Director General for Operations, and, unless otherwise directed by the Director General for Operations, he shall continue to produce and deliver overhead traveling cranes in the order set forth in such schedule and shall postpone production and delivery of any such overhead traveling cranes only to the extent required by the circumstances causing his failure to maintain production and delivery as required by such schedule.

(b) *Reports.* Each person to whom this order applies shall execute and file with the War Production Board such reports and questionnaires as said Board shall from time to time require.

(c) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control and may be deprived of priorities assistance.

(d) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order shall, unless otherwise directed, be addressed to: Crane Section, Tools Division, War Production Board, Washington, D. C., Ref: M–225.

(e) *Applicability of priorities regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the Priorities Regulations of the War Production Board, as amended from time to time.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 7th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42–8857; Filed, September 7, 1942; 11:11 a. m.]

PART 1042—IMPORTS OF STRATEGIC MATERIALS

[Amendment 5 of General Imports Order M–63, as Amended June 2, 1942]

Section 1042.1 *General Imports Order M–63*, as amended June 2, 1942,[1] is hereby amended by making the following changes in List I, List II, and List III:

[1] 7 F.R. 4199, 4404, 4878, 5638, 6521, 6737.

Change	Material	Commerce import class number
Add to list I	Hemp (Cannabis Satiba type only) unmanufactured:	
	Hackled, including "line of hemp".	[1]N.S.C.
	Not hackled	[1]N.S.C.
	Tow	[1]N.S.C.
Move from list I to list II.	Silver:	
	Ores, concentrates, and base bullion, valuable chiefly for silver content.	6819.5
	Bullion, refined	6819.6
	Coin, foreign	6819.8
	Sweepings and scrap, including silver sulphides.	6819.9
	Semiprocessed items, valuable chiefly for silver content.	[1]N.S.C.
	Compounds, mixtures, and salts, valuable chiefly for silver content.	[1]N.S.C.
Add to list II	Cohune nut oil	[1]N.S.C.
	Nutgalls or gall nuts	2310.0
Add to list III	Fabrics, woven of Agave fiber.	[1]N.S.C.
	Hides and skins, raw: Deer, buck, or doe.	0293.1

[1] N. S. C.=No Separate Class. Commodity number has not yet been assigned by the Department of Commerce, Statistical Classification of Imports.

This amendment shall take effect on September 11, 1942.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 8th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42–8867; Filed, September 8, 1942; 11:10 a. m.]

PART 1042—IMPORTS OF STRATEGIC MATERIALS

[Supplemental General Imports Order M–63–a as Amended September 8, 1942]

Section 1042.2 *Supplemental General Imports Order M–63–a*, as amended July 15, 1942)[1] is hereby further amended to read as follows:

§ 1042.2 *Supplemental General Imports Order M–63–a.* Until further order of the Director General for Operations, the provisions of General Imports Order M–63, as amended June 2, 1942, and thereafter, shall not apply to materials on List III of said order which are located in, and are the growth, production, or manufacture of, and are transported into the continental United States overland, by air, or by inland waterway from, Canada, Mexico, Guatemala, or El Salvador.

[1] 7 F.R. 5461.

This order shall take effect on September 11, 1942.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2(a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 8th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42-8866; Filed, September 8, 1942; 11:10 a. m.]

PART 1068—CANS MADE OF TINPLATE OR TERNEPLATE

[Interpretation 1 of Order M-81 as Amended June 27, 1942]

The following interpretation is hereby issued by the Director General for Operations with respect to § 1068.1 *Conservation Order M-81* as amended June 27, 1942.[1]

Paragraph (c) (1) states, with reference to quotas, that "The calendar year basis shall obtain, except for products for which a seasonal base period is specified."

This provision means that a canner packing a product for which a seasonal base period is specified, may, until further order by the Director General for Operations, use during the 1942-1943 packing season, the tinplate quota based upon his 1940-1941 pack. The quota for the 1942-1943 packing season is separate from and in addition to the quota used during the 1941-1942 packing season. "Seasonal base period" as used in Order M-81, as amended June 27, 1942, means a twelve months' period beginning in one calendar year and ending in the next.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 8th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42-8865; Filed, September 8, 1942; 11:09 a. m.]

PART 1095—COMMUNICATIONS

[Amendment 1 to Preference Rating Order P-129 as Amended July 28, 1942]

MAINTENANCE, REPAIR, AND OPERATING SUPPLIES

Section 1095.2 *Preference Rating Order P-129*[2] is hereby amended in the following particulars:

Paragraph (a) (1) (i) is amended to read as follows:

(i) Wire communication (except wire telephone communication).

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 8th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42-8862; Filed, September 8, 1942; 11:09 a. m.]

PART 1095—COMMUNICATIONS

[Preference Rating Order P-130, As Amended September 8, 1942]

MAINTENANCE, REPAIR, OPERATING SUPPLIES AND OPERATING CONSTRUCTION

Preference Rating Order P-130[1] (§ 1095.3) is hereby amended to read as follows:

§ 1095.3 *Preference Rating Order P-130*—(a) *Definitions.* For the purposes of this order:

(1) "Operator" means any individual, partnership, association, business trust, corporation, receiver, or any form of enterprise whatsoever, whether incorporated or not, the United States, the District of Columbia, any state or territory of the United States and any political, corporate, administrative or other division or agency thereof, to the extent engaged in rendering telephone communication service (and such telegraph and teletypewriter service as may also be conducted by him), within, to, or from the United States, its territories or possessions.

(2) "Material" means any commodity, equipment, accessory, part, assembly, or product of any kind.

(3) Without regard to whether or not the expenditures therefor are for any reason required to be recorded in the operator's accounting records in accounts other than maintenance and repair:

(i) "Maintenance" means the upkeep of an operator's property and equipment in sound working condition.

(ii) "Repair" means the restoration, without thereby increasing existing facilities, of an operator's property and equipment which has been rendered unsafe or unfit for service by wear and tear, damage, destruction of parts, or similar cause.

(4) "Operating supplies" means any material which is essential to and consumed in the operation of communication services by an operator but does not include any material which is physically incorporated in whole or in part in the property or equipment of the operator.

(5) Material for maintenance, repair or operating supplies for the purpose of this order shall not include material used for:

(i) The improvement of an operator's property or equipment through the replacement of material which is still usable in the existing property or equipment with material of a better kind, quality, or design;

(ii) Additions to or expansion of the operator's existing property or equipment.

(6) "Operating construction" means the use of materials by an operator for such construction of exchange and toll plant (including such telegraph and teletypewriter service as may be conducted by an operator) as is permitted under the provisions of General Conservation Order L-50 as amended from time to time.[2]

(7) "Operator's inventory of material" shall include all items of new and/or salvaged material and supplies on hand, whether held for current use or for sale as junk, until physically incorporated into plant by way of maintenance, repair, operating construction or otherwise, and without regard to whether or not such items of material are carried in the operator's accounting records under "Material and Supplies Account" exclusive nevertheless of:

(i) Any equipment of a superseded type reserved by an operator for reuse, as a practical measure of conservation to meet probable future operating contingencies;

(ii) Any material identified for use in projects which have been specifically authorized by the War Production Board upon application of an operator;

(iii) Any operating supplies which are in the process of being consumed by an operator.

(b) *Assignment of preference rating.* (1) Subject to the terms of this order, the following preference ratings are hereby assigned to operators:

(i) A-1-a for deliveries to an operator of material required by him for maintenance, repair, operating supplies, or operating construction.

(ii) For deliveries to an operator of material required by him for the construction of facilities necessary to serve defense projects bearing a rating of A-1-c or better, the same rating as is assigned to such defense project; except that where such project is assigned two or more ratings and both or all of these are A-1-c or better, such deliveries to an operator are assigned the lowest rating which is assigned to such defense project.

(2) *Application and extension of ratings.* The ratings assigned by paragraph (b) (1) above shall be applied and extended in accordance with Priorities Regulations Numbers 1 and 3, as amended from time to time.

(c) *Restrictions on use of rating.* (1) In addition to the limitation in paragraph (c) (3) below, the preference ratings hereby assigned shall not be applied by an operator:

(i) To obtain deliveries of materials containing copper, iron, steel, or nickel where such metals could be eliminated from said materials by the substitution of less scarce metals without serious loss of efficiency in the use of said materials.

(ii) To obtain material for operating construction as defined in paragraph

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[1] 7 F.R. 4836, 5272, 6148.
[2] 7 F.R. 5809.

[1] 7 F.R. 5810.

[2] 7 F.R. 3029, 4202, 4272.

(a) (6) for exchange plant where the cost of such material in any single case exceeds $2,500, or, to obtain PBX switchboards required to serve subscribers other than those set forth in paragraphs (e) (1) (i) and (e) (1) (ii) of General Conservation Order L–50.

(iii) To obtain material for operating construction as defined in subparagraph (a) (6) for toll plant where the cost of such material in any single case exceeds $500.

(2) An operator by applying or extending any preference ratings hereby assigned thereby represents to the seller and to the War Production Board that the material thus to be acquired will be used in conformity with all provisions of General Conservation Order L–50, as amended from time to time, and in addition that the acquisition of such material will not violate the provisions of paragraph (e) (1) hereof, or that such acquisition and/or use has been specifically authorized by the Director General for Operations.

(3) No operator shall subdivide a single order, job, or project to qualify the same under the terms of this order.

(d) *Reports.* Each operator affected by this order shall file such reports and questionnaires with the War Production Board as may from time to time be required by the Director General for Operations.

(e) *Restrictions on deliveries, inventory, and use.* (1) On and after October 15, 1942, except as provided in paragraph (e) (3) below, no operator who has applied the rating assigned hereby shall at any time accept deliveries of material (whether or not rated pursuant to this order) to be used for any purpose:

(i) Until the dollar value of the operator's inventory of material shall have been reduced to a practical working minimum. Such practical working minimum shall in no event exceed 27½% of the dollar value of material used for all purposes during the calendar year 1940.

(ii) Where the receipt thereof shall increase the dollar value of the operator's inventory of material to an amount in excess of normal requirements which in no event shall exceed 27½% of the dollar value of material used for all purposes during the calendar year 1940.

(2) Except as provided in paragraph (e) (3) below, no operator who has applied the rating assigned hereby shall, during any calendar quarterly period, use material for maintenance, repair, operating supplies, and operating construction the aggregate dollar value of which shall exceed 110% of the aggregate dollar value of such material used during the corresponding quarter of 1940, or at the operator's option 27½% of the aggregate dollar value of such material used during the calendar year 1940.

(3) (i) Any operator whose average value of inventory of material for the five calendar years prior to January 1, 1942, did not exceed $10,000, shall be exempt from the provisions of subparagraph (1) above.

(ii) Any operator whose use of materials for the year 1942 does not exceed $10,000, shall be exempt from the provisions of subparagraph (2) above.

(iii) Material delivered pursuant to paragraph (b) (1) (ii), shall be exempt from the provisions of subparagraphs (1) and (2) above.

(iv) From time to time, the Director General for Operations may determine that certain operators are exempt in whole or in part from the restrictions contained in subparagraphs (1) and (2) above.

(f) *Sales of material from excess stock.* Any operator may sell to any other operator materials from the seller's excess stocks or inventories, provided that a preference rating of A–1–c or higher assigned by this order, or any preference rating certificate, order, or other direction issued by the Director General for Operations is applied or extended to the operator selling such materials; and any such sale shall be expressly permitted within the terms of paragraph (c) (2) (iii) of Priorities Regulation No. 13.

(g) *Applicability of priorities regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the priorities regulations of the War Production Board, as amended from time to time.

(h) *Violations.* Any person who wilfully violates any provision of this order or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from processing or using, material under priority control, and may be deprived of priorities assistance.

(i) *Communications.* All reports to be filed, appeals and other communications concerning this order should be addressed to: War Production Board, Communications Branch, Washington, D. C., Ref.: P–130.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 8th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42–8861; Filed, September 8, 1942; 11:09 a. m.]

PART 1095—COMMUNICATIONS

[General Conservation Order L–148]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of certain types of wire communication equipment for defense, for private account, and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense.

§ 1095.4 *General Conservation Order L–148*—(a) *Definitions.* For the purpose of this order:

(1) "Person" means any individual, partnership, association, business trust, corporation, governmental corporation or agency, or any organized group of persons, whether incorporated or not.

(2) "Manufacturer" means any person manufacturing wire communication equipment, parts or attachments thereto, of the kinds listed in Schedule A, to the extent that he is engaged in such manufacture, and shall include sales and distribution outlets controlled by said manufacturer.

(3) "Distributor" means any person other than a manufacturer regularly engaged in the business of leasing or selling wire communication equipment, parts or attachments thereto, to dealers.

(4) "Dealer" means any person (other than one engaged in rendering wire or radio communication service), regularly engaged in the business of offering wire communication equipment, parts or attachments thereto for sale or lease at retail to the consumer.

(5) "Wire communication equipment" shall include, but not by way of limitation, new and used wire telephone and telegraph communication equipment, parts and attachments thereto (including wire intercommunicating systems) of the kinds listed in Schedule A, to the extent used in the communications industry.

(b) *General restrictions.* On and after the fifteenth day following the date of issue of this order, regardless of the terms of any contract of sale, purchase, rental or other commitment, no manufacturer, distributor or dealer shall accept any purchase, rental or other order for wire communication equipment, parts or attachments thereto including, but not limited to, those included in Schedule A which is attached and made a part of this order, except a purchase, rental or other order bearing a preference rating of A–7 or higher; and no manufacturer, distributor, or dealer shall sell, lend, lease, rent, deliver, or otherwise transfer any such wire communication equipment, parts or attachments thereto nor shall any person receive or accept deliveries of any such equipment, parts or attachments thereto except to fill a purchase, rental or other order bearing a preference rating of A–7 or higher. *Provided, however,* that this paragraph shall not prohibit the transfer or delivery of wire communication equipment to a manufacturer for repair or storage or the return of said equipment to the owner thereof after repair has been effected or storage terminated.

(c) *Existing contracts.* Fulfillments of contracts in violation of this order is prohibited regardless of whether such contracts are entered into before or after the effective date of this order. No person shall be held liable for damages or penalties for default under any contract

or order which shall result directly or indirectly from compliance with the terms of this order.

(d) *Applicability of priorities regulations.* This order and all transactions affected thereby are subject to all applicable provisions of the priorities regulations of the War Production Board, as amended from time to time.

(e) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to: War Production Board, Communications Branch, Washington, D. C., Ref.: L–148.

(f) *Appeals.* Any person affected by this order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him may appeal to the Director General for Operations, setting forth the pertinent facts and the reason he considers he is entitled to relief. The Director General for Operations may thereupon take such action as he deems appropriate.

(g) *Violations.* Any person who wilfully violates any provision of this order, or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States, is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or obtaining further deliveries of, or from process or use of, material under priority contract, and may be deprived of priorities assistance.

(h) *Reports.* All persons affected by this order shall execute and file such reports as the Director General for Operations shall from time to time require.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 8th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

SCHEDULE A

General categories of wire communication equipment, parts or attachments thereto, to the extent used in the communications industry, limited by General Conservation Order L–148.

1. Switchboards and switching systems including local telephone, central office, toll telephone, PBX telephone and telegraph.
2. Telephones including transmitters, receivers, dials, subscriber sets.
3. Relays, condensers, repeaters, coils, filters and carrier systems.
4. Testing apparatus.
5. Wire and strand.
6. Cable.
7. Cable terminals.
8. Pole line hardware.
9. Plugs, jacks, cords, keys.
10. Wire intercommunicating systems.
11. Varioplex, multiplex, facsimile and telautograph equipment.
12. Teletypewriters, printing telegraph machines, tape perforating apparatus and accessories.
13. Appliances used for manual telegraph.
14. Time clocks, time switches, call boxes, signaling and selector equipment used for telephone and telegraph systems and/or used for wire protective alarm systems.
15. Motors, generators, storage batteries, rectifiers, transformers, power panels and associated equipment used for telephone and telegraph communication.

[F. R. Doc. 42–8868; Filed, September 8, 1942; 11:10 a. m.]

PART 1097—SHEARLINGS AND OTHER WOOL SKINS

[Amendment 1 to General Conservation Order M–94 as Amended July 30, 1942]

Section 1097.1 *General Conservation Order M–94* as amended July 30, 1941[1] is hereby amended in the following respects:

Paragraphs (a) (1) and (a) (2) are amended to read as follows:

(1) "Shearling" shall mean the skin of a sheep or lamb that has been shorn, domestic or foreign, a so-called California lamb skin or other native lamb skin, whether raw, semi-processed, or finished, of 46's grade or higher, having a wool growth of 2'' or less, or originally of a wool length in excess of 2'' which has been clipped after flaying by any person so as to leave a wool growth of ¼'' or more thereon.

(2) "Wool skin" shall mean the raw skin of a sheep or lamb bearing wool.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125, 7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 8th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42–8864; Filed, September 8, 1942; 11:09 a. m.]

PART 3083—DOUGLAS FIR LOGS

[General Preference Order M–234]

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of Douglas fir logs for defense, for private account and for export; and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 3083.1 *General Preference Order M–234*—(a) *Definitions.* For the purposes of this order:

(1) "Douglas fir logs" means logs of the botanical species of *Pseudotsuga taxifolia* (including cants and flitches of such logs), which are produced in those parts of Oregon and Washington lying west of the crest of the Cascade Mountain Range.

(2) "Person" means any individual, partnership, association, business trust, corporation, governmental corporation or agency, or any organized group of persons whether incorporated or not.

(b) *Allocations.* The Director General for Operations may allocate specific quantities of Douglas fir logs, or any part sawed therefrom, to specific persons. He may also direct the specific manner and quantities in which delivery shall be made to particular persons, and direct or prohibit particular uses of Douglas fir logs, or any part sawed therefrom, or the production by any person of particular lumber items from Douglas fir logs. Allocations and directions will be made to insure the satisfaction of war requirements of the United States, both direct and indirect, and they may be made, in the discretion of the Director General for Operations, without regard to any preference rating assigned to particular contracts or purchase orders. The Director General for Operations may also take into consideration the possible dislocation of labor and the necessity of keeping a plant in operation so that it may be able to fulfill war orders and essential civilian requirements.

(c) *Applicability of priorities regulations.* This order and all transactions affected thereby are subject to all applicable provisions of all the Priorities Regulations of the War Production Board, as amended from time to time.

(d) *Appeal.* Any person affected by this order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him or that it would result in a degree of unemployment which would be unreasonably disproportionate compared with the amount of Douglas fir logs conserved, or that compliance with this order would disrupt or impair a program of conversion from nondefense to defense work, may appeal to the War Production Board, by letter or other written communication, in duplicate, setting forth the pertinent facts and the reason he considers he is entitled to relief. The Director General for Operations may thereupon take such action as he deems appropriate.

(e) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this order, shall, unless otherwise directed, be addressed to the Western Log and Lumber Administrator, War Production Board, Portland, Oregon, Ref.: M–234.

(f) *Violations.* Any person who wilfully violates any provision of this order or who, in connection with this order, wilfully conceals a material fact or furnishes false information to any department or agency of the United States, is guilty of a crime, and upon conviction may be punished by fine or imprisonment. In addition, the Director General for Operations may prohibit such person from making or obtaining further deliveries of or from processing or using material under priority control, may withhold from such person priorities assistance, and may take such other action as he deems appropriate.

(P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561; E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; E.O. 9125,

[1] 7 F.R. 5903.

7 F.R. 2719; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Laws 89 and 507, 77th Cong.)

Issued this 8th day of September 1942.

AMORY HOUGHTON,
Director General for Operations.

[F. R. Doc. 42-8863; Filed, September 8, 1942; 11:09 a. m.]

Chapter XI—Office of Price Administration

PART 1419—EXPLOSIVES

[Amendment 1 to Maximum Price Regulation 191 [1]]

COTTON LINTERS AND HULL FIBERS

A statement of the considerations involved in the issuance of this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

A new § 1419.12, and a new § 1419.13, are added as set forth below:

§ 1419.13 *Sales by the United States or any agency thereof.* Nothing in this Maximum Price Regulation No. 191, or in the General Maximum Price Regulation [2], shall apply to sales of cotton linters or hull fibers by the United States or any agency thereof.

§ 1419.12 *Effective dates of amendments.* (a) Amendment No. 1 (§§ 1419.12 and 1419.13) to Maximum Price Regulation No. 191 shall become effective September 10, 1942.

(Pub. Law 421, 77th Cong.)

Issued this 4th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8808; Filed, September 4, 1942; 4:59 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Amendment 25 to General Maximum Price Regulation [3]]

ADDITIONAL METHOD FOR DETERMINING CEILING PRICES

A statement of the considerations involved in the issuance of this amendment, issued simultaneously herewith, has been filed with the Division of the Federal Register.*

Section 1499.3 is amended to read as set forth below.

§ 1499.3 *Maximum prices for commodities and services which cannot be priced under § 1499.2.* The seller's maximum price for a commodity or service which cannot be priced under § 1499.2 of this General Maximum Price Regulation shall be a maximum price in line with the level of maximum prices established by this General Maximum Price Regulation. Such price shall be determined by the seller in accordance with the following procedures:

(a) In the case of a "sale at wholesale or retail" of a commodity, the seller (1) shall select from the same general classification and price range as the commodity being priced under this section, the comparable commodity for which a maximum price is established under section 2 of this Regulation and of which the seller delivered the largest number of units during March 1942; (2) shall divide his maximum price for that commodity by his "replacement cost" of that commodity; and (3) shall multiply the percentage so obtained by the cost to him of the commodity being priced under this paragraph. The resulting figure shall be the maximum price of the commodity being priced. Within ten days after determining such maximum price under this paragraph, the seller shall report such price to the "appropriate field office of the Office of Price Administration" upon a form, duly filled out, copied from the form contained in Appendix A of this Regulation. The price so reported shall be subject to adjustment at any time by the Office of Price Administration.

(b) In the case of a sale other than at wholesale or retail of a commodity, the maximum price shall be a price determined by the seller after specific authorization from the Office of Price Administration. A seller who seeks an authorization to determine a maximum price under the provisions of this paragraph shall file with the Office of Price Administration in Washington, D. C., an application setting forth (1) a description in detail of the commodity for which a maximum price is sought; and (2) a statement of the facts which differentiate such commodity from other commodities delivered during March 1942 by such seller and by other competitive sellers of the same class. Such authorization will be given in the form of an order prescribing a method of determining the maximum price for the applicant or for sellers of the commodity generally, including purchasers for resale, or for a class of such sellers.

(c) In the case of a sale at wholesale or retail of a commodity which cannot be priced under paragraph (a) of this section, the maximum price shall be a price determined by the seller after specific authorization from the Office of Price Administration or any duly authorized officer thereof. A seller who seeks an authorization to determine a maximum price under the provisions of this paragraph shall file with the regional office of the Office of Price Administration for the region in which his principal place of business is located an application setting forth (1) a description of the commodity or commodities for which a maximum price is sought; (2) a statement of the reasons why such commodity or commodities cannot be priced under § 1499.2 or § 1499.3 (a) of this General Maximum Price Regulation; and (3) any other facts which the seller wishes to submit in support of the application. The seller shall also submit such additional pertinent information as the regional office may require. Such authorization will be given in the form of an order prescribing a method of determining the maximum price.

(d) In the case of a sale of a commodity the price for which includes the supply of a service of substantial value and which cannot be priced under paragraph (a) of this section, or in the case of a sale of a service, the maximum price shall be a price determined by the seller by applying the first applicable pricing method of the pricing methods stated in § 1499.102 of Maximum Price Regulation No. 165, as amended.

§ 1499.23a *Effective dates of amendments.* * * *

(z) Amendment No. 25 (§ 1499.3) to General Maximum Price Regulation shall become effective September 9, 1942.

(Pub. Law 421, 77th Cong.)

Issued this 4th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8809; Filed, September 4, 1942; 4:59 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 33 Under § 1499.18 (c) of the General Maximum Price Regulation]

PLANTER MANUFACTURING CO., INC.

For the reasons set forth in an opinion issued simultaneously herewith, *it is ordered:*

§ 1499.383 *Approval of maximum prices for sales by Planters Manufacturing Company, Inc. of collapsible plywood tobacco hogsheads.* (a) On and after September 5, 1942, Planters Manufacturing Company, Inc., a corporation having its principal place of business at Portsmouth, Virginia, may sell and deliver and offer, agree, solicit, and attempt to sell and deliver collapsible plywood tobacco hogsheads, and any person may buy from Planters Manufacturing Company, Inc. such hogsheads manufactured by it at a price no higher than as hereinafter set forth:

$7.72 each, f.o.b. factory for collapsible plywood tobacco hogsheads—46" diameter head by 54" length stave.

(b) This Order No. 33 may be revoked or amended by the Price Administrator at any time.

(c) This Order No. 33 (§ 1499.383) is hereby incorporated as a section of Supplementary Regulation 14 which contains modifications of maximum prices established by § 1499.2.

(d) This Order No. 33 (§ 1499.383) shall become effective on September 5, 1942.
(Pub. Law 421, 77th Cong.)

Issued this 4th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8807; Filed, September 4, 1942; 4:59 p. m.]

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*Copies may be obtained from Office of Price Administration.

[1] 7 F.R. 6000, 6150.

[2] 7 F.R. 3153, 3330, 3666, 3990, 3991, 4339, 4487, 4659, 4738, 5027, 5192, 5276, 5365, 5445, 5484.

[3] 7 F.R. 3153, 3330, 3666, 3990, 3991, 4339, 4487, 4659, 4738, 5027, 5192, 5276, 5365, 5445, 5484, 5565, 5775, 5783, 5784, 6007, 6058, 6082, 6216, 6616, 6795, 6939.

PART 1381—SOFTWOOD LUMBER

[Amendment 1 to Maximum Price Regulation 19[1]]

SOUTHERN PINE LUMBER

A statement of the considerations involved in the issuance of this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.*

In § 1381.212 (e) a list of qualified producers is added to the following subparagraph (1), as set forth below.

§ 1381.212 *Maximum prices for Southern pine lumber where shipment originates at a mill.* * * *

(e) (1) * * *

The following producers have qualified as producers of "special soft texture finish":

Caddo River Lumber Company, R. A. Long Building, Kansas City, Missouri.

Crossett Lumber Company, Crossett, Arkansas.

Frost Lumber Industries, Inc., Shreveport, Louisiana.

Dierks Lumber & Coal Company, Dierks Building, Kansas City, Missouri.

Vredenburgh Saw Mill Company, Vredenburgh, Alabama.

McKnight Lumber Company, R. A. Long Building, Kansas City, Missouri.

Bradley Lumber Company, Warren, Arkansas.

Fordyce Lumber Company, Fordyce, Arkansas.

Southern Lumber Company, Warren, Arkansas.

Allison Lumber Company, Bellamy, Alabama.

Conasauga River Lumber Company, Conasauga, Tennessee.

§ 1381.211a *Effective dates of amendments.* * * *

(b) Amendment No. 1 (§ 1381.212 (e) (1)) to Maximum Price Regulation No. 19 shall become effective September 10, 1942.

(Pub. Law 421, 77th Cong.)

Issued this 5th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8831; Filed, September 7, 1942; 9:18 a. m.]

PART 1425—LUMBER DISTRIBUTION

[Maximum Price Regulation 215]

DISTRIBUTION YARD SALES OF SOFTWOOD

In the judgment of the Price Administrator it is necessary and proper to establish maximum prices for distribution yard sales of softwood lumber which differ in some respects from the maximum prices established by the General Maximum Price Regulation.[2] The Price Administrator has ascertained and given due consideration to the prices at which such sales were made between October 1–15, 1941. So far as practicable the Price Administrator has advised and consulted with representative members of the industry which will be affected by this regulation.

In the judgment of the Price Administrator the maximum prices established by this regulation are and will be generally fair and equitable and will effectuate the purposes of the Emergency Price Control Act of 1942. A statement of the considerations involved in the issuance of this regulation has been issued simultaneously herewith and filed with the Division of the Federal Register.*

Therefore, under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942 and in accordance with Procedural Regulation No. 1,[3] issued by the Office of Price Administration, Maximum Price Regulation No. 215 is hereby issued.

AUTHORITY: §§ 1425.1 to 1425.14, inclusive, issued under the authority contained in Pub. Law 421, 77th Cong.

§ 1425.1 *Definition of distribution yard sale.* (a) "Distribution yard sale" for purposes of this Maximum Price Regulation No. 215 means a sale of 5,000 feet or more of softwood lumber to the following persons: *Provided,* That such sale is made out of the seller's stock of such lumber at a point where he regularly maintains such stock:

(1) To the United States or any agency thereof or to contractors and subcontractors who will use such lumber to fulfill a contract with the United States or any agency thereof;

(2) To State Governments, including the District of Columbia, or any of their political subdivisions, or any agency of any of the foregoing, but not to contractors and subcontractors who will use such lumber to fulfill a contract with the foregoing;

(3) To an industrial user for use in the fabrication, packaging, or shipping of its products;

(4) To a railroad, but not to contractors and subcontractors who will use such lumber to fulfill a contract with a railroad;

(5) To a shipbuilder, dock builder, dam builder, or a bridge builder, or to contractors and subcontractors who will use such lumber to fulfill a contract with the foregoing;

(6) To other distribution yards, wholesale or retail.

(b) The term "distribution yard sale" of any particular kind of softwood lumber shall be construed to include any sale of the type described in paragraph (a) of this section which does not "originate at a mill, rather than at a distribution yard", as that phrase, and the terms therein included, are defined in the specific Maximum Price Regulations dealing with direct mill sales of that kind of lumber.

(c) For the purpose of paragraph (a) of this section, the size of the sale shall be determined by the size of the order, and the size of the order shall be determined by the over-all quantity involved in a single transaction. In determining the size of a sale subject to this Maximum Price Regulation No. 215, shingles shall be converted in the ratio of 10,000 shingles to 1,000 feet of lumber, and lath shall be converted in the ratio of 6,000 laths to 1,000 feet of lumber.

§ 1425.2 *Maximum prices for distribution yard sales of softwood lumber.* (a) On and after September 10, 1942, regardless of any contract or other obligation, no person shall make a distribution yard sale of softwood lumber for domestic or export use, and no person shall buy or receive in the course of trade or business softwood lumber out of a distribution yard at prices higher than the maximum prices set forth in Appendix A, § 1425.14, where the sale satisfies all of the tests of a distribution yard sale.

(b) No person shall offer, agree, solicit, or attempt to do any of the foregoing.

(c) The provisions of this Maximum Price Regulation No. 215 shall not be applicable to distribution yard sales or deliveries of softwood lumber to a purchaser if prior to September 10, 1942, such lumber had been received by a carrier other than a carrier owned or controlled by the seller for shipment to such purchaser.

§ 1425.3 *Less than maximum prices.* Lower prices than those set forth in Appendix A, § 1425.14, may be charged, demanded, paid, or offered.

§ 1425.4 *Applicability of General Maximum Price Regulation.* The provisions of this Maximum Price Regulation No. 215 supersede the provisions of the General Maximum Price Regulation with respect to sales and deliveries for which maximum prices are established by this Regulation, except as provided in § 1425.14 (d).

§ 1425.5 *Conditional agreements.* No seller subject to this Maximum Price Regulation No. 215 shall enter into an agreement permitting the adjustment of the price of a distribution yard sale to prices which may be higher than the maximum prices in effect upon the date of the agreement: *Provided,* That if a petition for amendment has been duly filed and such petition requires extensive consideration, the Administrator may grant an exception from the provisions of this section permitting the making of contracts adjustable upon the granting of the petition for amendment. Requests for such an exception may be included in the aforesaid petition for amendment.

§ 1425.6 *Evasion.* (a) The price limitations set forth in this Maximum Price Regulation No. 215 shall not be evaded, whether by direct or indirect methods, in connection with an offer, solicitation, agreement, sale, delivery, purchase, or receipt of or relating to a distribution yard sale, alone or in conjunction with

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*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 5427, 5869.

[2] 7 F.R. 3153, 3330, 3666, 3990, 3991, 4339, 4487, 4659, 4738, 5027, 5192, 5276, 5365, 5445, 5484, 5565, 5775, 5783, 5784, 6007, 6058, 6081, 6216.

[3] 7 F.R. 971, 3663.

any other commodity or by way of commission, service, transportation, or other charge, or discount, premium or other privilege, or by tying-agreement or other trade understanding or otherwise.

(b) Specifically, but not exclusively, the following practices are prohibited:

(1) Making charges for delivery which exceed the actual cost to the seller of such delivery except as otherwise provided in Appendix A, § 1425.14;

(2) Falsely or wrongly grading or invoicing lumber;

(3) Grading as a special grade lumber which can be graded as a standard grade;

(4) Selling as specified lengths a shipment of lumber which is substantially equivalent to standard or random lengths;

(5) Breaking up an order which would normally be a single order into a series of smaller orders or combining a number of single orders into one large order in order to evade the maximum price limitations set forth in this Maximum Price Regulation No. 215.

(6) Refusing to sell except on a delivered basis;

(7) Quoting delivered prices on the basis of estimated weights higher than those permitted by Appendix A, § 1425.14.

§ 1425.8 *Records and reports.* (a) On and after September 10, 1942, every person who, during any calendar month, offers or agrees to sell, sells, or delivers, or offers or agrees to buy, buys or receives a total of 34,000 pounds or more of softwood lumber out of a distribution yard subject to this Maximum Price Regulation No. 215, in the course of trade or business, shall keep for inspection by the Office of Price Administration for a period of not less than 2 years a complete and accurate record of every such offer, agreement, purchase, sale, or delivery, showing the date thereof, the name and address of the buyer and the seller, the price paid and received, and the quantity, size, grade, specifications, and condition of seasoning of such lumber in each such sale or purchase.

(b) Every person making sales subject to this Maximum Price Regulation No. 215, who buys or receives a total of 100,000 feet or more of softwood lumber during the 60 day period following the effective date of this Regulation shall, on or before December 1, 1942, file with the Lumber Branch of the Office of Price Administration a statement under oath of the following facts for all receipts of each species of softwood lumber purchased:

(1) Date of purchase;

(2) Kind purchased (grade, size, whether rough or dressed and how dressed, whether green or dry and how dried);

(3) Quantity of each purchase;

(4) From whom purchased;

(5) Shipping point;

(6) Destination;

(7) Transportation charges paid (give applicable weight and rate and state whether such charges were prepaid or collect);

(8) Prices paid (whether f. o. b. mill or delivered); and

(9) Discounts received (cash and trade discounts and amounts thereof).

(c) Such persons shall keep such other records in addition to or in place of the records required in paragraphs (a) and (b) of this section and shall submit such reports to the Office of Price Administration as that Office may from time to time require or permit.

§ 1425.9 *Enforcement.* (a) Persons violating any provision of this Maximum Price Regulation No. 215 are subject to the criminal penalties, civil enforcement actions, suits for treble damages, and procedure for revocation of license provided for by the Emergency Price Control Act of 1942.

(b) Persons who have evidence of any violation of this Maximum Price Regulation No. 215 or any price schedule, regulation, or order issued by the Office of Price Administration or of any acts or practices which constitute such a violation are urged to communicate with the nearest Field, State, or Regional office of the Office of Price Administration or its principal office in Washington, D. C.

(c) No War Procurement Agency, or any contracting or paying finance officer thereof, shall be subject to any liability, civil or criminal, imposed by this Maximum Price Regulation No. 215 or the Emergency Price Control Act of 1942.

§ 1425.10 *Petitions for amendment or adjustment*—(a) *Government contracts or subcontracts.* Any person who has entered into or proposes to enter into a contract with the United States or any agency thereof, or with the Government of any country whose defense the President deems vital to the defense of the United States under the terms of the Act of March 11, 1941, entitled "An Act to promote the defense of the United States", or any agency of any such Government, or a subcontract under any such contract, who believes that the maximum price impedes or threatens to impede production of softwood lumber which is essential to the war program and which is or will be the subject of such contract or subcontract, may file an application for adjustment of the maximum price established by this Maximum Price Regulation No. 215 in accordance with Procedural Regulation No. 6[3], issued by the Office of Price Administration.

(b) *Special relief.* Any person seeking special relief for which no provision is made in paragraph (a) of this section, from a maximum price established under this Maximum Price Regulation No. 215, may present the special circumstances of his case in an application for an order of adjustment. Such an application shall be filed in accordance with Procedural Regulation No. 1, issued by this Office of Price Administration, and shall set forth the facts relating to the hardship to which such maximum price subjects the applicant, together with a statement of the reasons why he believes that the granting of relief in his case and in all like cases will not defeat or impair the policy of the Emergency Price Control Act of 1942 and of this Maximum Price Regulation No. 215 to eliminate the danger of inflation.

(c) *General amendments and adjustments.* Persons seeking any general modification of this Maximum Price Regulation No. 215 or any general adjustment or exception not provided for therein may file petitions for amendment in accordance with Procedural Regulation No. 1, issued by the Office of Price Administration.

§ 1425.11 *Export sales.* The maximum price at which a person may export softwood lumber sold out of a distribution yard subject to this Maximum Price Regulation No. 215, shall be determined in accordance with the provisions of the Revised Maximum Export Price Regulation,[4] issued by the Office of Price Administration.

§ 1425.12 *Definitions.* (a) This Maximum Price Regulation No. 215 and the terms appearing therein, unless the context otherwise requires, shall be construed as follows:

(1) "Person" includes an individual, corporation, partnership, association, or any other organized group of persons or legal successor or representative of any of the foregoing, and includes the United States or any other Government, or any of its political subdivisions, or any agency of any of the foregoing.

(2) "Softwood lumber" means any lumber or shingles subject to Maximum Price Regulations 19, 26, 94, and 164.

(3) "Applicable basing points" means the points of origin to be used, based on rates set forth in the tariffs of railroad carriers, in determining incoming transportation charges.

(4) "War procurement agency" includes the War Department, the Department of the Navy, the United States Maritime Commission, and the Lend-Lease Section in the Procurement Division of the Treasury Department, or any agency of the foregoing.

(b) Unless the context otherwise requires the definitions set forth in section 302 of the Emergency Price Control Act of 1942 shall apply to other terms used herein.

§ 1425.13 *Effective date.* Maximum Price Regulation No. 215 (§§ 1425.1 to 1425.14, inclusive) shall become effective September 10, 1942.

§ 1425.14 *Appendix A: Maximum prices for distribution yard sales of softwood lumber.* (a) The maximum price at which a distribution yard sale subject to this Maximum Price Regulation No. 215 of each species, grade, and size of softwood lumber may be made shall be a price not higher than the sum of the following where the shipment originates at such yard:

(1) F. O. B. mill maximum price of such lumber as established by any applicable price regulation of the Office of Price

[3] 7 F.R. 5087, 5664.

[4] 7 F.R. 5059.

Administration except the General Maximum Price Regulation.

(2) Inbound transportation charges to the distribution yard to be calculated on the basis set forth in paragraph (i) of this § 1425.14.

(3) (i) $5.00 per thousand feet for lumber.

(ii) $0.30 per square for shingles.

(iii) $0.60 per hundred pieces for lath.

(4) 10 percent of the total of the applicable items set forth in subparagraphs (1), (2), and (3) above.

The maximum prices set forth above shall include loading by and at the expense of the seller on the railroad car, motor vehicle, or other transportation medium, but does not include transportation to the buyer.

(b) If a distribution yard sale subject to this Maximum Price Regulation No. 215 is made on a delivered basis at the request of the buyer, a delivered price in excess of the maximum price at the distribution yard as set forth in paragraph (a) hereof may be charged consisting of such maximum prices plus actual transportation costs to the extent that such costs are paid by the seller, if a carrier other than the seller's own transportation facilities are used, or actual cost of delivery if the seller's own transportation facilities are used: *Provided*, That all transportation charges to the purchaser for such delivery are separately set forth on the invoice, bill of sale, or other billing. In computing such actual transportation costs, the parties may adopt the practice of charging a sum equivalent to the one-quarter of a dollar per thousand feet nearest such actual transportation costs. In addition, the parties may adopt estimated average weights where provided for by any applicable price regulation.

(c) An addition to the maximum prices established by paragraphs (a) and (b) of this § 1425.14 may be charged for workings as follows, when the working is performed by the distribution yard itself:

	4/4, 5/4, 6/4	2"	3" and 4"	5 x 5 to 8 x 8	6 x 10 and larger
S1S, S2S, S3S, S4S	$3.00	$2.50	$2.50	$3.00	$4.00
D & M, Shiplap, Grooved, Beveled Sleepers	3.50	3.00	3.00	6.00	6.00
Drop Siding & Ceiling	3.50	3.00	------	------	------
Outgauged & Special patterns	7.50	7.50	7.50	7.50	7.50
Cross-cutting	1.00	1.00	1.00	2.00	2.00
Ripping	1.50	1.50	1.50	------	------
Resawing	2.00	2.00	2.00	2.00	3.00

Working charges for quantities less than 2,000 feet to be charged as for 2,000 feet.

(d) Additions for workings, specifications, services, or other extras not expressly provided for herein shall be subject to the General Maximum Price Regulation.

(e) The maximum prices herein established shall not be increased by any charges for the extension of credit, and shall be decreased for prompt payment to the same extent that the sale price would have been decreased by the seller on August 1, 1941. The cash and credit periods recognized by the seller on August 1, 1941, shall not be reduced.

(f) No person shall pay, and no person shall charge or receive a commission for purchasing softwood lumber out of a distribution yard, if such a purchase and sale is subject to this Maximum Price Regulation No. 215, if the amount of the commission plus the purchase price is higher than the maximum price permitted by this Maximum Price Regulation No. 215.

(g) The maximum price for sales on combination grades shall be the maximum price established in this § 1425.14 for the lowest grade named in the combination.

(h) A gross price above the maximum price established in this § 1425.14 shall not be quoted, even if accompanied by a discount, the effect of which is to bring the net price below such maximum price.

(i) In adding inbound transportation charges as provided in paragraph (a) (2) of this § 1425.14, each seller shall calculate incoming transportation charges on the basis of carload railroad rates applicable to each species of softwood lumber as follows:

Applicable Basing Points by Species

To points in the State of—	Douglas fir, hemlock and other West Coast lumber covered by MPR 26	Idaho pine MPR 94	Ponderosa pine, sugar pine, and other lumber covered by MPR 94	Western red cedar shingles MPR 164	Southern pine MPR 19
Alabama	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Montgomery, Ala.
Arizona	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Arkansas	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
California	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Colorado	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Connecticut	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
Delaware	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Goldsboro, N. C.
District of Columbia	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Goldsboro, N. C.
Florida	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Orlando, Fla.
Georgia	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
Idaho	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Illinois	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Hattiesburg, Miss.
Indiana	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Hattiesburg, Miss.
Iowa	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Kansas	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Kentucky	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Hattiesburg, Miss.
Louisiana	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Maine	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
Maryland	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Goldsboro, N. C.
Massachusetts	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
Michigan	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Hattiesburg, Miss.
Minnesota	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Mississippi	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Hattiesburg, Miss.
Missouri	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Montana	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Nebraska	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Nevada	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
New Hampshire	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
New Jersey	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
New Mexico	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
New York	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
North Carolina	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Goldsboro, N. C.
North Dakota	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Ohio	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
Oklahoma	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Oregon	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Pennsylvania	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
Rhode Island	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
South Carolina	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Sumter, S. C.
South Dakota	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Tennessee	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
Texas	Portland, Oreg.	Spokane, Wash.	Susanville, Calif.	Seattle, Wash.	Alexandria, La.
Utah	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.
Vermont	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Macon, Ga.
Virginia	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Goldsboro, N. C.
Washington	Seattle, Wash.	Spokane, Wash.	See footnote 5	Seattle, Wash.	Alexandria, La.
West Virginia	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Goldsboro, N. C.
Wisconsin	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Hattiesburg, Miss.
Wyoming	Portland, Oreg.	Spokane, Wash.	Klamath Falls, Oreg.	Seattle, Wash.	Alexandria, La.

[1] Use Spokane, Wash., as applicable basing point for ponderosa pine. Use Klamath Falls, Oreg., as applicable basing point for sugar pine.

(j) In the use of inbound transportation charges as provided in paragraph (i) of this § 1425.14, the parties may adopt the practice of charging a sum equivalent to the one-quarter of a dollar per thousand feet nearest such transportation charges.

In addition, the parties may adopt estimated average weights where provided for by any applicable price regulation.

Issued this 5th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8832; Filed, September 7, 1942; 9:18 a. m.]

PART 1426—WOOD PRESERVATION AND PRIMARY FOREST PRODUCTS

[Maximum Price Regulation 216]

RAILROAD TIES

In the judgment of the Price Administrator it is necessary and proper to establish maximum prices for railroad ties which differ in some respects from the maximum prices established by the General Maximum Price Regulation.[1] The Price Administrator has ascertained and given due consideration to the prices of railroad ties prevailing between October 1 and October 15, 1941, and has made adjustments for such relevant factors as he has determined and deemed to be of general applicability. So far as practicable, the Price Administrator has advised and consulted with representative members of the industry which will be affected by this regulation.

In the judgment of the Price Administrator the maximum price established by this regulation are and will be generally fair and equitable and will effectuate the purposes of the Emergency Price Control Act of 1942. A statement of the considerations involved in the issuance of this regulation has been issued simultaneously herewith and filed with the Division of the Federal Register.*

Therefore, under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, and in accordance with Procedural Regulation No. 1,[2] issued by the Office of Price Administration, Maximum Price Regulation No. 216 is hereby issued.

AUTHORITY: §§ 1426.1 to 1426.14, inclusive issued under Pub. Law 421, 77th Cong.

§ 1426.1 *Prohibition against dealing in railroad ties above maximum prices.* On and after the effective date of this regulation, regardless of any contract or other obligation:

(a) No person in the course of trade or business shall buy or receive railroad ties at a price higher than the maximum price permitted by this regulation.

(b) No person shall sell or deliver railroad ties at a price higher than the maximum price permitted by this regulation: *Provided,* That if upon the sale of any railroad tie, the seller shall receive from the purchaser a written affirmation that to the best of his knowledge, information, and belief the prices to be paid do not exceed the maximum price established by this Maximum Price Regulation No. 216, and if in such case the seller shall have no knowledge of the maximum price and no cause to doubt the accuracy of the affirmation, the seller shall be deemed to have complied with this section.

(c) No person shall sell, agree, offer, solicit, or attempt to do any of the acts set forth in paragraphs (a) and (b) of this section.

§ 1426.2 *Maximum prices for railroad ties*—(a) *For a railroad purchasing railroad ties,* the maximum price for each species and size of untreated or treated railroad tie at each delivery point shall be the highest price at which each railroad received delivery (for its own use) of each species and size of railroad tie at the same delivery point during the first quarter of 1942.

(b) *For the United States or any agency thereof or to contractors or subcontractors who will use such railroad ties to fulfill a contract with the United States or any agency thereof,* the maximum price for untreated railroad ties shall be 110 percent of the maximum price established or permitted by this Maximum Price Regulation No. 216 for the railroad on whose line such railroad ties were produced:

(1) For the "same" species and size of untreated railroad tie at each delivery point of such railroad; or

(2) If no such maximum price is established or permitted for the "same" species and size of untreated railroad tie, for the "most similar" species and size of untreated railroad tie at each delivery point of such railroad, adjusted for the customary differential between the two species and sizes.

(c) *For all other persons purchasing railroad ties,* the maximum price for untreated railroad ties shall be the maximum price established or permitted by this Maximum Price Regulation No. 216 for the railroad on whose line such railroad ties were produced:

(1) For the "same" species and size of untreated railroad tie at each delivery point of such railroad; or

(2) If no such maximum price is established or permitted for the "same" species and size of untreated railroad tie, for the "most similar" species and size of untreated railroad tie at each delivery point of such railroad, adjusted for the customary differential between the two species and sizes.

(d) Additions to the maximum prices established by paragraphs (b) and (c) of this section may be charged and paid:

(1) For preservative treatment, at prices not higher than those permitted by any applicable maximum price regulation of the Office of Price Administration.

(2) For actual transportation charges from the loading-out point on the railroad on whose line the railroad ties were produced to the ultimate destination specified by the buyer.

§ 1426.3 *Less than maximum prices.* Lower prices than those established by this regulation may be charged, demanded, paid or offered.

§ 1426.4 *Adjustable pricing.* Nothing in this Maximum Price Regulation No. 216 shall be construed to prohibit the making of a contract to sell and purchase railroad ties at a price not to exceed the maximum price at the time of delivery or supply. Where a petition for amendment or an application for adjustment or exception has been filed which requires extended consideration, the Price Administrator may, upon application, grant permission to agree to adjust prices upon deliveries made during the pendency of the petition or application in accordance with the disposition of the petition or application.

§ 1426.5 *Evasion.* The price limitations set forth in this Maximum Price Regulation No. 216 shall not be evaded, whether by direct or indirect methods, in connection with an offer, solicitation, agreement, sale, purchase, delivery or receipt of, or relating to the sale or purchase of railroad ties, alone or in conjunction with any other commodity, or by way of commission, service, transportation, or other charge, or discount, premium or other privilege, or by tying-agreement or trade understanding, or otherwise.

§ 1426.6 *Records and reports.* (a) On and after September 5, 1942:

(1) Every person who, during any calendar month, offers or agrees to buy, buys, or receives railroad ties in the course of trade or business shall keep for inspection by the Office of Price Administration for a period of not less than two years a complete and accurate record of every such offer, purchase, or receipt, showing the date thereof, the name and address of the seller, and the price paid for, and the quantity of, each species and size of railroad tie at each delivery point.

(2) Every person who, during any calendar month, offers or agrees to sell, sells, or delivers 5,000 railroads ties or more or 150,000 feet board measure or more of railroad ties shall keep for inspection by the Office of Price Administration for a period of not less than two years a complete and accurate record of every such offer, agreement, sale, or delivery, showing the date thereof, the name and address of the buyer, and the price received for, and the quantity of, each species and size of railroad tie at each delivery point.

(b) On or before October 1, 1942, every person who purchased railroad ties in the course of trade or business during the period January 1, 1942, to March 31, 1942, shall submit to the Office of Price Administration in Washington, D. C., a report setting forth the highest price paid for, and the quantity purchased of,

*Copies may be obtained from the Office of Price Administration.

[1] 7 F.R. 3153, 3330, 3666, 3990, 3991, 4339, 4487, 4659, 4738, 5027, 5192, 5276, 5365, 5445, 5484, 5565, 5775, 5783, 5784, 6007, 6058, 6081, 6216.

[2] 7 F.R. 971, 3663.

each size and species of railroad tie at each delivery point.

(c) Such persons designated in paragraphs (a) and (b) of this section shall submit such reports to the Office of Price Administration and keep such other records in addition to or in place of the records and reports required in paragraphs (a) and (b) of this section as the Office of Price Administration may from time to time require or permit.

§ 1426.7 *Enforcement.* (a) Persons violating any provision of this Maximum Price Regulation No. 216 are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Emergency Price Control Act of 1942.

(b) Persons who have evidence of any violation of this Maximum Price Regulation No. 216, or any price schedule, regulation or order issued by the Office of Price Administration, or of any acts or practices which constitute such a violation, are urged to communicate with the nearest District, State, or Regional Office of the Office of Price Administration or its principal office in Washington, D. C.

(c) No War Procurement Agency, or any contracting or paying finance officer thereof, shall be subject to any liability, civil or criminal, imposed by this Maximum Price Regulation No. 216 or the Emergency Price Control Act of 1942.

§ 1426.8 *Applications for adjustment*—(a) *Government contracts or subcontracts.* Any person who has entered into or proposes to enter into a contract with the United States or any agency thereof, or with the Government of any country whose defense the President deems vital to the defense of the United States under the terms of the Act of March 11, 1941, entitled "An Act to promote the defense of the United States", or any agency of any such Government, or a subcontract under such contract, who believes that the maximum price impedes or threatens to impede production of railroad ties which is essential to the war program and which is or will be the subject of such contract or subcontract, may file an application for adjustment of the maximum prices established by this Maximum Price Regulation No. 216, in accordance with Procedural Regulation No. 6,[3] issued by this Office of Price Administration.

(b) *Special filing by buyers.* Any railroad which purchased or offered to purchase railroad ties at prices higher than those established by paragraph (a) of § 1426.2 subsequent to March 31, 1942, and prior to May 11, 1942, and submits evidence of such purchase or offer to purchase,[4] and any person other than a railroad who purchased railroad ties at prices higher than those established by paragraph (c) of § 1426.2 between January 1 and March 31, 1942, may apply for adjustment of such maximum prices in accordance with the provisions of Appendix A, § 1426.14. After such an application for adjustment as herein provided for has been filed, and pending the issuance of an order granting or denying the application, in whole or in part, any railroad may enter into or offer to enter into contracts to purchase and may purchase railroad ties at a price not exceeding the maximum price paid by it for each species and size of railroad tie at each delivery point during the period subsequent to March 31, 1942, and prior to May 11, 1942; and any person other than a railroad may enter into or offer to enter into contracts to purchase and may purchase railroad ties at a price not exceeding the maximum price paid by him for each species and size of railroad tie at each delivery point during the period January 1 to March 31, 1942, inclusive, and any seller may sell or offer or agree to sell at such prices: *Provided,* That such an application for adjustment is filed with the Lumber Branch, Office of Price Administration in Washington, D. C., within 30 days after this regulation shall take effect. If the order denies the application in whole or in part, the contract price shall be revised downward to the maximum price ordered, and if any payment has been made at the requested price, the seller may be required to refund the excess.

(c) *General filing by buyers.* The Office of Price Administration, or any duly authorized officer thereof, may by order adjust the maximum prices established under this Maximum Price Regulation No. 216 for any buyer of railroad ties, other than persons designated in paragraph (a) of this § 1426.8, in any case in which the buyer submits the information requested by Appendix A, § 1426.14.

§ 1426.9 *Petitions for amendment.* Persons seeking any modification of this Maximum Price Regulation No. 216, or any adjustment or exception not provided for therein, may file petitions for amendment in accordance with the provisions of Procedural Regulation No. 1, issued by the Office of Price Administration.

§ 1426.10 *Definitions.* (a) When used in this Maximum Price Regulation No. 216, the term:

(1) "Person" includes an individual, corporation, partnership, association or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, any other government, or any of its political subdivisions, or any agency of the foregoing;

(2) "Railroad tie" means a timber produced at any point in the United States other than in those parts of Oregon and Washington west of the crest of the Cascade Mountain range,[5] of any species other than redwood (species Sequoia sempervirens), and includes cross ties and switch ties, whether untreated or preservatively treated;

(3) "Cross tie" means a railroad tie of varying specified size, whether sawn or hewn, which is suitable for use in supporting the rails of a railroad track;

(4) "Switch tie" means a railroad tie of varying specified size, whether sawn or hewn, which is suitable for use in supporting a switch in a railroad track;

(5) "Size", sometimes referred to as "grade", of any roalroad tie means the dimensions of a railroad tie as specified by the buyer;

(6) "Delivery point" means any railroad siding, railroad junction point, or river landing at which cross ties are customarily accepted;

(7) "Price" means the price at the delivery point and includes loading by and at the expnse of the seller on the railroad car, motor vehicle, or other transportation medium;

(8) "First quarter of 1942" means the period January 1 to March 31, 1942, inclusive.

(b) Unless the context otherwise requires, the definitions set forth in section 302 of the Emergency Price Control Act of 1942 shall apply to other terms used herein.

§ 1426.11 *Applicability of General Maximum Price Regulation.* This regulation shall apply and the General Maximum Price Regulation shall not apply to purchases and sales of railroad ties for which maximum prices are established herein.

§ 1426.12 *Export sales.* The maximum price at which a person may export railroad ties subject to this Maximum Price Regulation No. 216 shall be determined in accordance with the provisions of the Revised Maximum Export Price Regulation,[6] issued by the Office of Price Administration.

§ 1426.13 *Effective date.* This Maximum Price Regulation No. 216 (§§ 1426.1 to 1426.14, inclusive) shall become effective September 5, 1942.

§ 1426.14 *Appendix A: Filing and content of applications for adjustment provided for in paragraphs* (b) *and* (c) *of § 1426.8.* An original copy under oath, and two copies of an application for adjustment provided for in paragraphs (b) and (c) of § 1426.8 shall be filed with the Lumber Branch, Office of Price Administration, Washington, D. C., and shall be accompanied by a statement under oath showing:

(1) Name and address of applicant;

(2) Highest price paid by applicant for each species and size of railroad tie at each delivery point during March 1941, October 1941, the first quarter of 1942, and the period April 1 to May 11, 1942;

(3) Maximum price requested at each delivery point for each species and size of railroad tie;

(4) Delineation of producing territory involved in this application, together with a list of the principal delivery points in such territory and the percentage of 1941 purchases obtained from these points;

(5) Names of competitive buyers at the principal delivery points specified in (4) above[7];

(6) The highest price paid by competitive buyers for the same species and size of railroad tie at the principal delivery points specified in (4) above during

[3] 7 F.R. 5087, 5664.

[4] To accompany the information requested in Appendix A, § 1426.14.

[5] See Maximum Price Regulation No. 26—Douglas Fir and Other West Coast Lumber.

[6] 7 F.R. 5059.

[7] Applicable only to purchases of untreated railroad ties at a delivery point within a producing territory.

March 1941, October 1941, the first quarter of 1942, and the period April 1 to May 11, 1942;

(7) (a) If applicant is a railroad, annual purchases of railroad ties during the calendar years 1939, 1940, 1941, and during the first quarter of 1942;

(b) If applicant is not a railroad, purchases of railroad ties during the calendar year 1941, and during the first quarter of 1942;

(8) (a) If applicant is a railroad, approximate requirements of railroad ties for the balance of the calendar year 1942 and for 1943 in the territory described under (4) above;

(b) If applicant is not a railroad, unfilled orders for the balance of the calendar year 1942 and for 1943 to be filled by purchases from the territory described under (4) above;

(9) Total inventories of all species and sizes of railroad ties on hand at all points at the time of filing of this application;

(10) Has any application or petition been filed in the past with the Office of Price Administration for an adjustment or amendment by applicant at the delivery points covered by this application? If so, give date of filing and application number;

(11) Facts relating to the hardship to which the established maximum price subjects applicant, together with a statement of the reasons why applicant believes that the granting of relief in his case and in all like cases will not defeat or impair the policy of the Emergency Price Control Act of 1942 and of this Maximum Price Regulation No. 216, to eliminate the danger of inflation.

Issued this 5th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8829; Filed, September 5, 1942; 1:00 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 64 Under § 1499.3 (b) of General Maximum Price Regulation [1]]

SELLERS OF USED TIN CANS

For reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, and pursuant to and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942 and § 1499.3 (b) of the General Maximum Price Regulation, *it is hereby ordered:*

§ 1499.278 *Authorization to sellers of used tin cans.* (a) Specific authorization is hereby given to any person who sells or contracts to sell used tin cans of size No. 10 or larger on or after the effective date of this Order No. 64 to persons authorized or licensed under subparagraph (b) (4) of Supplementary Order No. M-72-a, issued by the Director General for Operations, War Production Board, to sell such tin cans at a price of not more than $6 per gross ton, f. o. b. seller's point of delivery to purchaser or seller's shipping point.

(b) This Order No. 64 may be revoked or amended by the Office of Price Administration at any time.

(c) This Order No. 64 (§ 1499.278) shall become effective September 5, 1942. (Pub. Law 421, 77th Cong.)

Issued this 5th day of September, 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8828; Filed, September 5, 1942; 12:59 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 37 Under § 1499.18 (b) of General Maximum Price Regulation—Docket GF3-166]

KENTUCKY MACARONI CO.

For the reasons set forth in an opinion * issued simultaneously herewith, it is ordered:

§ 1499.337 *Adjustment of maximum prices for macaroni sold by Kentucky Macaroni Company, Louisville, Ky.* (a) Kentucky Macaroni Company may buy and deliver to Jewel Tea Company, and Jewel Tea Company may buy and receive from the Kentucky Macaroni Company the following commodities at prices not higher than the following:

$1.95 per case of 24 packages of 21 ounce macaroni.
$2.45 per case of 30 packages of 21 ounce spaghetti.
$2.00 per case of 24 packages of 12 ounce noodles.
Prices are delivered prices.

(b) All prayers of the application not granted herein are denied.

(c) This Order No. 37 may be revoked or amended by the Price Administrator at any time.

(d) Incorporation of Order No. 37 in Supplementary Regulation No. 14. This Order No. 37 (§ 1499.337) is hereby incorporated as a part of Supplementary Regulation No. 14 which contains modifications of maximum prices established by § 1499.2.

(e) This Order No. 37 (§ 1499.337) shall become effective September 8, 1942. (Pub. Law 421, 77th Cong.)

Issued this 5th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8830; Filed, September 5, 1942; 9:17 a. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 38 Under § 1499.18 (b) of General Maximum Price Regulation—Docket GF1-655-P]

WELCOME PRODUCTS, INC.

For the reasons set forth in an opinion issued simultaneously herewith, *it is ordered:*

§ 1499.338 *Adjustment of maximum price for brick ice cream sold to the Seattle School Board, Seattle, Washington by Welcome Products, Inc. of Seattle, Washington.* (a) Welcome Products, Inc., of Seattle, Washington, may sell and deliver to the Seattle School Board, Seattle, Washington, and the Seattle School Board may buy and receive from Welcome Products, Inc. brick ice cream at a price not higher than 88 cents per gallon.

(b) All prayers of the application not granted herein are denied.

(c) This Order No. 38 may be revoked or amended by the Price Administrator at any time.

(d) This Order No. 38 (§ 1499.338) is hereby incorporated as a section of Supplementary Regulation No. 14, which contains modifications of maximum prices established by § 1499.2.

(e) This Order No. 38 (§ 1499.338) shall become effective September 5, 1942. (Pub. Law 421, 77th Cong.)

Issued this 5th day of September, 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8827; Filed, September 5, 1942; 12:59 p. m.]

PART 1499—COMMODITIES AND SERVICES

[Order 2 Under § 1499.114 (b) of Maximum Price Regulation 165 as Amended—Services—Docket GF3-274]

T. F. QUINN AND CO., INC.

For the reasons set forth in an opinion * issued simultaneously herewith it is ordered:

§ 1499.702 *Adjustment of maximum prices for car unloading services sold by T. F. Quinn and Company, Incorporated.* (a) The application for adjustment of maximum prices for car unloading services sold by T. F. Quinn and Company, Incorporated, is hereby granted to the extent set forth below:

The maximum prices for car unloading services to be charged by T. F. Quinn and Company, Incorporated, shall be as follows:

Dry cars (including 25¢ per hour for vacation pay and 65¢ per hour for overtime)	$10.85
Wet cars (including 25¢ per hour for vacation pay and 65¢ per hour for overtime)	12.65
Cars with less than 35% of original load	5.75
Hourly work rate	1.22½
Waiting time per hour	1.50

(b) Except as herein above granted the application for adjustment filed by T. F. Quinn and Company, Incorporated, and assigned Docket No. GF3-274 is denied.

(c) All prayers of the application not granted herein are denied.

(d) This Order No. 2 (§ 1499.702) shall become effective 1st day of September 1942. (Pub. Law 421, 77th Cong.)

Issued this 5th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8826; Filed, September 5, 1942; 12:59 p. m.]

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[1] 7 F.R. 3153, 3300, 3666, 3990, 3991, 4339, 4659, 4738, 5027, 5276, 5192, 5365, 5445, 5565, 5684, 5775, 5783, 5784, 6007, 6058, 6081, 6216.

* Copies may be obtained from the Office of Price Administration.

PART 1358—TOBACCOS

[Temporary Maximum Price Regulation 21]

FLUE-CURED TOBACCO

Correction

In the second paragraph of the preamble to Temporary Maximum Price Regulation 21, appearing on page 6896 of the issue of September 1, 1942, the date "December 13, 1941" should read "December 15, 1941".

PART 1360—MOTOR VEHICLES AND MOTOR VEHICLE EQUIPMENT

[Amendment 4 to Revised Price Schedule 85]

NEW PASSENGER AUTOMOBILES

Correction

In paragraph (a) of the maintenance operation opposite "3" in the table appearing on page 6898 of the issue for Tuesday, September 1, 1942, "seat books" should read "seat backs".

PART 1389—APPAREL

[Amendment 2 to Maximum Price Regulation 177]

MEN'S AND BOYS' TAILORED CLOTHING

Correction

In § 1389.102 (b) (2), appearing on page 6972 of the issue for Thursday, September 3, 1942, the last clause should read as follows: "except that a one-pant suit shall not be considered the same as, or similar to, a two-pant suit".

PART 1394—RATIONING OF FUEL AND FUEL PRODUCTS

[Ration Order 8]

GASOLINE RATIONING REGULATIONS FOR THE VIRGIN ISLANDS

Corrections

In § 1394.3501 (a) (15), appearing on page 6871 of the issue for Tuesday, September 1, 1942, "and" should read "any". Section 1394.3662 should be numbered "1394.3652". In the proviso in § 1394.3703 (a) (1) "rid" should read "ride". The last clause of § 1394.3853 (b) (1) should read "but in any event not more than 144 gallons for the six-month ration period". In the last line of § 1394.4104 (a) the word "of" should be stricken. In the sixth line of § 1394.4351 "furnishes" should read "furnished".

TITLE 46—SHIPPING

Chapter II—United States Maritime Commission

Subchapter B—Regulations Affecting Maritime Carriers

[General Order No. 56]

PART 221—DOCUMENTATION, TRANSFER OR CHARTER OF VESSELS

CHARTER OF VESSELS TO ALIENS

§ 221.10 *Approving charters of vessels to aliens.* The United States Maritime Commission, pursuant to authority contained in the Merchant Marine Act, 1936, particularly section 204 (b) thereof, and sections 9 and 37 of the Shipping Act, 1916, as amended, hereby approves the charter of any vessel documented under the laws of the United States and of any vessel owned by a citizen of the United States to a person not a citizen of the United States without application therefor and further action by the Commission, provided that:

(a) The vessel so chartered is under charter to the War Shipping Administration;

(b) The employment of the vessel under the charter has been approved by the War Shipping Administration;

(c) The charter period shall not exceed four months; and

(d) A duly certified copy f the charter as executed shall be filed with the Director of Operations and Traffic of the United States Maritime Commission as soon as practicable but not in any event later than thirty days after the beginning of the charter.

The Commission reserves the right to modify or revoke this order at any time, but such modification or revocation shall not affect charters theretofore approved by the War Shipping Administration.

This order shall be effective immediately.

By order of the United States Maritime Commission.

[SEAL] W. C. PEET, Jr.,
Secretary.

AUGUST 18, 1942.

[F. R. Doc. 42-8840; Filed, September 5, 1942; 11:50 a. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

Chapter I—Interstate Commerce Commission

PART 10—STEAM ROADS: UNIFORM SYSTEM OF ACCOUNTS

ORDER MODIFYING CLASSIFICATION OF INCOME, ETC.

An order of the Interstate Commerce Commission modifying the Classification of Income, Profit and Loss and General Balance Sheet Accounts for Steam Roads, dated September 1, 1942, effective January 1, 1943, was filed with the Division of the Federal Register, September 7, 1942 at 10:58 a. m., F.R. Doc. No. 42-8849. Requests for copies may be addressed to the Interstate Commerce Commission.

PART 14—ELECTRIC RAILWAYS: UNIFORM SYSTEM OF ACCOUNTS

ORDER MODIFYING UNIFORM SYSTEM OF ACCOUNTS

An order of the Interstate Commerce Commission modifying the Uniform System of Accounts for Electric Railways, dated August 31, 1942, effective September 1, 1942, was filed with the Division of the Federal Register, September 7, 1942, at 10:58 a. m., F. R. Doc. No. 42-8850. Requests for copies should be addressed to the Interstate Commerce Commission.

Chapter II—Office of Defense Transportation

[General Order O.D.T. 21]

PART 501—CONSERVATION OF MOTOR EQUIPMENT

SUBPART M—CERTIFICATES OF WAR NECESSITY FOR AND CONTROL OF COMMERCIAL MOTOR VEHICLES

By virtue of the authority vested in me by Executive Order No. 8989, dated December 18, 1941, and by Executive Order No. 9156, dated May 2, 1942, and in order to conserve and providently utilize vital transportation equipment, material, and supplies, including rubber; and to provide for the prompt and continuous movement of necessary traffic, the attainment of which purposes is essential to the successful prosecution of the war,

It is hereby ordered, That:

Sec.

AUTHORITY: §§ 501.90 to 501.104, inclusive, issued under E.O. 8989, 6 F.R. 6725, and E.O. 9156, 7 F.R. 3349.

§ 501.90 *Definitions.* As used in this subpart:

(a) The term "commercial motor vehicle" means (1) (i) a straight truck, (ii) a combination truck-tractor and semi-trailer, (iii) a full trailer, (iv) any combination thereof, or (v) any other rubber-tired vehicle, excluding a motorcycle, propelled or drawn by mechanical power and built (or rebuilt) primarily for the purpose of transporting property, and (2) any bus, taxicab, jitney, or other rubber-tired vehicle, propelled or drawn by mechanical power, used in the transportation of persons upon the highways, or available for public rental, including ambulances and hearses, but not including a private passenger automobile.

(b) The term "person" means an individual, partnership, corporation, association, joint-stock company, business trust, or other organized group of persons, and includes the United States or any agency, territory, or possession thereof, a State or any agency or political subdivision thereof, or any trustee, receiver, assignee, or personal representative.

(c) The term "property" means anything, except persons, capable of being transported by motor truck.

(d) The term "fleet" means three or more commercial motor vehicles owned or operated by one person.

(e) The term "private passenger automobile" means any motor vehicle built primarily for the purpose of transporting

persons and having a rated seating capacity of seven (7) or less; and includes station wagons and suburban carryalls, irrespective of seating capacity, which are not used in the transportation of persons or property for compensation.

§ 501.91 *Certificate of war necessity required.* On and after November 15, 1942, no person shall operate any commercial motor vehicle within the continental limits of the United States unless there is in force with respect to such commercial motor vehicle a certificate of war necessity issued by the Office of Defense Transportation governing such operation.

§ 501.92 *Application for certificate.* Application for a certificate of war necessity shall be made in writing to the field office of the Office of Defense Transportation for the area in which the home office or principal place of business of applicant is located, unless the applicant is directed to make application to some other office of the Office of Defense Transportation. Any such application shall be made on forms provided by the Office of Defense Transportation, and shall contain such information as the Office of Defense Transportation shall require.

§ 501.93 *Issuance of certificate of war necessity.* (a) A certificate of war necessity will be issued by the Office of Defense Transportation to any qualified applicant therefor, certifying, with respect to the operations covered by the application, limitations of mileage or of motor fuel or requirements as to loads, or any one or more of such limitations or requirements, in order that such operations (1) shall be confined to those which are necessary to the war effort or to the maintenance of essential civilian economy, (2) shall be so conducted as to assure maximum utilization in such service of the commercial motor vehicle or vehicles of the applicant, and (3) shall conserve and providently utilize rubber or rubber substitutes and other critical materials used in the manufacture, maintenance, and operation of such vehicles.

(b) In all original and subsequent certifications the Office of Defense Transportation will be guided by the provisions of its outstanding orders or public statements of policy relating to the operations under consideration, and all such outstanding orders and statements of policy will remain in full force and effect unless and until they are formally amended, superseded, or revoked.

(c) Such certificate, when issued in respect of a single commercial motor vehicle, shall at all times be carried on such vehicle. When such certificate is issued in respect of a fleet of commercial motor vehicles, a fleet unit certificate shall at all times be carried on each commercial motor vehicle covered by such fleet certificate.

§ 501.94 *Certificate of war necessity not transferable.* No certificate of war necessity shall be transferable. In the event of the sale or other transfer of a commercial motor vehicle, or a substantial change in the character of its use or the condition under which it is used, the purchaser or transferee or owner thereof shall forthwith make application to the Office of Defense Transportation for a new certificate, upon the issuance of which the previously issued Certificate of War Necessity appertaining to such vehicle shall be surrendered for cancellation.

§ 501.95 *Contents and conditions of certificate.* Any certificate of war necessity issued under this subpart shall specify:

(a) The name and address of the person to whom issued;

(b) The vehicle or vehicles covered thereby;

(c) The purposes for which and the conditions under which such vehicle or vehicles may be operated;

(d) Such other terms or conditions as the Office of Defense Transportation may from time to time specify.

§ 501.96 *Motor fuel and commercial motor vehicle parts, tires, or tubes.* On and after November 15, 1942, no person shall:

(a) Transfer any motor fuel to, or transfer, mount, or install any part, tire, or tube, in or upon any commercial motor vehicle, unless the operator thereof, at the time of such transfer or installation, shall present to such person for inspection a valid Certificate of War Necessity pertaining to such vehicle, issued by the Office of Defense Transportation.

(b) Transfer or deliver any motor fuel for the use of, or transfer, mount, install, or deliver any part, tire, or tube for the use of, any commercial motor vehicle, unless the operator of such commercial motor vehicle shall at the time thereof sign a written receipt, in duplicate, for such motor fuel, part, tire, or tube, and endorse on each copy of such receipt the number of the Certificate of War Necessity pertaining to the commercial motor vehicle or vehicles in or upon which such motor fuel, part, tire, or tube is to be used. In the event such transfer, delivery, or installation is for the use of a fleet of commercial motor vehicles, the number of the Certificate of War Necessity pertaining to such fleet shall be endorsed on each such written receipt. The original receipt shall be retained by the person making the transfer, delivery, or installation, and the copy shall be retained by the person operating the commercial motor vehicle. Such receipts shall be available for examination and inspection at all reasonable times by accredited representatives of the Office of Defense Transportation.

(c) The provisions of this section shall not apply to transfers or installations made pursuant to a coupon, certificate, or other instrument, authorized or issued by a rationing agency of the United States, or to the sale, transfer, or delivery of motor fuel, parts, tires, or tubes, to any person for the purpose of resale.

§ 501.97 *Inspection of tires.* On and after November 15, 1942, no person shall operate any commercial motor vehicle, unless within the sixty (60) days immediately preceding such operation, or, in the event such motor vehicle has been operated more than five thousand (5,000) miles during such period, unless within the five thousand (5,000) miles last operated by such vehicle, all tires mounted upon the wheels thereof or carried for use on such vehicle have been inspected by an inspection agency designated by the Office of Price Administration, and unless such inspection agency has certified that such person has made all reasonable and necessary adjustments, repairs, retreading, recapping, replacement of parts or tires, and realignment of wheels, found by such inspection agency to be necessary to conserve and providently utilize such tires, unless such operator is unable, under then existing rationing regulations, to make such repairs, retreading, recapping, or replacement of parts or tires.

§ 501.98 *Records and reports.* Any person operating a commercial motor vehicle in respect of which a certificate of war necessity has been issued, shall prepare and permanently maintain in the manner and form prescribed by the Office of Defense Transportation records of all operations conducted by such vehicle. A weekly record of such operations shall be maintained in accordance with the form provided on the reverse side of such certificate of war necessity, and shall be carried at all times in such vehicle. Such person shall keep such other records and make such reports as may be required and in the manner and form prescribed by the Office of Defense Transportation. All such records shall be available for examination and inspection at all reasonable times by accredited representatives of the Office of Defense Transportation.

§ 501.99 *Enforcement officers authorized to report violations.* Any enforcement officer of any State or political subdivision thereof, who, on or after November 15, 1942, finds any commercial motor vehicle being operated which at such time does not have in such vehicle, available for inspection and examination, a valid certificate of war necessity issued under this subpart, or which is in any other way being operated in violation of any order of the Office of Defense Transportation, or any term or condition of a certificate of war necessity governing its operation, is authorized to make a report thereof to the Office of Defense Transportation, stating the name of the person operating such vehicle, the owner or lessee thereof, and such other information as the Office of Defense Transportation may specify. Such reports may be made on forms prescribed by the Office of Defense Transportation.

§ 501.100 *Suspension or revocation of certificate.* Any certificate of war necessity issued under this subpart shall be effective from the date specified therein and shall remain in effect according to its terms until amended, modified, recalled, suspended, cancelled, or revoked in whole or in part by the Director of Defense Transportation for good cause.

§ 501.101 *Control of vehicles.* (a) Whenever the Office of Defense Transportation shall deem it to be advisable, any person having possession or control of any commercial motor vehicle shall, notwithstanding any contract, lease, or other commitment, express or implied, with respect to the use or operation of such commercial motor vehicle, cause such vehicle (1) to be operated in such manner, for such purpose, and between such points, as the Office of Defense Transportation shall from time to time direct, and (2) to be leased or rented by any such person to such person or persons, except by a person engaged in transporting property in a commercial motor vehicle for compensation to a person not engaged in such transportation, as the Office of Defense Transportation shall from time to time direct. Unless the interested parties agree upon the amount of compensation payable for the use of any such vehicle, so directed to be leased or rented, the amount of such compensation shall be such amount as may be determined by the Office of Defense Transportation to be just and equitable, subject to any applicable maximum price established by any competent governmental authority.

(b) The provisions of this section shall not be so construed or applied as to require any person operating a commercial motor vehicle to perform any transportation service, the performance of which by it is not authorized or sanctioned by law.

§ 501.102 *Exemptions.* The provisions of this subpart shall not apply to or include the following:

(a) A commercial motor vehicle operated by or under the direction of the military or naval forces of the United States or State military forces organized pursuant to section 61 of the National Defense Act, as amended;

(b) A commercial motor vehicle operated by a dealer exclusively for the purpose of selling such vehicle;

(c) A motor vehicle having a capacity of not to exceed seven (7) passengers operated by a person between his or her home and place of work and used in transporting other persons between their homes and their places of work, if such motor vehicle is not used for any other purpose for compensation.

§ 501.103 *Communications.* Communications concerning this subpart should be addressed to the Division of Motor Transport, Office of Defense Transportation, Washington, D. C., or to the field office of the Office of Defense Transportation designated for the area in which the home office or principal place of business of the correspondent is located. Such communications should refer to General Order O.D.T. 21.

§ 501.104 *Effective date.* Except as otherwise provided herein, this subpart shall become effective November 15, 1942, and shall remain in full force and effect until further order of the Office of Defense Transportation.

Issued at Washington, D. C., this 8th day of September 1942.

JOSEPH B. EASTMAN,
Director of Defense Transportation.

[F. R. Doc. 42-8891; Filed, September 8, 1942; 12:00 m.]

[Exception Order O.D.T. 7-2]

PART 520—CONSERVATION OF RAIL EQUIPMENT—EXCEPTIONS AND PERMITS

SUBPART B—TANK CARS

Pursuant to the authority conferred by General Order O.D.T. No. 7, as amended,[1] Title 49, Chapter II, Subpart B,

It is hereby ordered, That:

§ 520.402 *Certain shipments excepted.* The provisions of § 500.11, General Order O.D.T. No. 7, shall be suspended, and general or special permits shall not be required, in respect of the shipment, forwarding, or transportation:

(a) In tank cars, of a shell capacity of not less than 7,000 gallons, of crude petroleum or petroleum products into the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania, New Jersey, Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, or the District of Columbia from any shipping point in any other State;

(b) In tank cars, of crude petroleum or petroleum products into the States of Washington or Oregon from any shipping point in any other State;

(c) In tank cars, of any commodity billed to a destination over two hundred (200) miles from shipping point, such distance being measured by the shortest available published rail tariff route, whether billed or transported over such route or otherwise.

§ 520.403 *Revocation.* Exception Order O.D.T. No. 7-1, as amended,[2] this Title and Chapter, Part 520, Subpart B, is hereby revoked effective upon the date this exception order becomes effective.

§ 520.404 *Effective date.* This exception order shall become effective on the 10th day of October 1942, and shall remain in full force and effect until the further order of the Office of Defense Transportation. (E.O. 8989, 6 F.R. 6725; Gen. Order O.D.T. No. 7, as amended, 7 F.R. 3332, 7 F.R. 3531)

Issued at Washington, D. C., this 5th day of September 1942.

JOSEPH B. EASTMAN,
Director of Defense Transportation.

[F. R. Doc. 42-8892; Filed, September 8, 1942; 12:00 m.]

[1] 7 F.R. 3332, 3531.
[2] 7 F.R. 3332, 3786.

[General Permit O.D.T. No. 3 Revised—5]

PART 521—CONSERVATION OF MOTOR EQUIPMENT—EXCEPTIONS AND PERMITS

SUBPART B—COMMON CARRIERS OF PROPERTY

SMALL AND SPECIALLY DESIGNED TRUCKS

In accordance with the provisions of General Order O.D.T. No. 3 Revised,[1] Title 49, Chapter II, Part 501, Subart B, § 501.8,

It is hereby authorized, That:

§ 521.504 *Small and specially designed trucks.* Any common carrier operating a motor truck (a) which can be utilized only for the transportation of that type of property for which it is specially designed, and not for the transportation of property generally; or, (b) where the primary carrying capacity is occupied by built-in loading racks, trays, or crates designed for the loading of specific property; or, (c) where the rated load-carrying ability, as defined in the provisions of paragraph (f) of § 501.4 of General Order O.D.T. No. 3 Revised, as amended, does not exceed twelve thousand pounds, is hereby relieved, in respect of trucks so engaged, from compliance with the provisions of subparagraph (2) of paragraph (a) of § 501.6 of General Order O.D.T. No. 3 Revised, as amended. (E.O. 8989, 6 F.R. 6725; E.O. 9156, 7 F.R. 3349; Gen. Order O.D.T. No. 3 Revised, 7 F.R. 5445, 7 F.R. 6689)

This General Permit shall become effective September 8, 1942, and shall remain in full force and effect until further order of this Office.

Issued at Washington, D. C., this 8th day of September 1942.

JOSEPH B. EASTMAN,
Director of Defense Transportation.

[F. R. Doc 42-8893; Filed September 8, 1942; 11: 59 a. m.]

[General Permit O.D.T. No. 17-14]

PART 521—CONSERVATION OF MOTOR EQUIPMENT—EXCEPTIONS AND PERMITS

SUBPART K—MOTOR CARRIERS OF PROPERTY

SMALL AND SPECIALLY DESIGNED TRUCKS

In accordance with the provisions of General Order O.D.T. No. 17,[2] Title 49, Chapter II, Part 501, Subpart K, § 501.71.

It is hereby authorized, That:

[1] 7 F.R. 5445; 7 F.R. 6689.
[2] 7 F.R. 5678.

§ 521.2890 *Small and specially designed trucks.* Any motor carrier operating a truck (a) which can be utilized only for the transportation of that type of property for which it is specially designed, and not for the transportation of property generally; or (b) where the primary carrying capacity is occupied by built-in loading racks, trays, or crates designed for the loading of specific property; or, (c) where the rated load-carrying ability, as defined in the provisions of paragraph (g) of § 501.65 of General Order O.D.T. No. 17, does not exceed twelve thousand pounds, is hereby relieved, in respect of trucks so engaged, from compliance with the provisions of subparagraph (2) of paragraph (a) of § 501.69 of General Order O.D.T. No. 17. (E.O. 8989, 6 F.R. 6725; E.O. 9156, 7 F.R. 3349; Gen. Order O.D.T. No. 17, 7 F.R. 5678)

This General Permit shall become effective September 8, 1942, and shall remain in full force and effect until further order of this Office.

Issued at Washington, D. C., this 8th day of September 1942.

JOSEPH B. EASTMAN,
Director of Defense Transportation.

[F. R. Doc. 42-8894; Filed, September 8, 1942; 12:00 m.]

Notices

DEPARTMENT OF JUSTICE.

Office of the Attorney General.

[Order No. 3725]

JUDICIAL DISTRICTS FOR PRIZE PROCEEDINGS

Under the authority conferred upon the Attorney General by section 2 of the Act of August 18, 1942, (Public No. 704, 77th Congress) I hereby select, for the convenience of the United States, the following judicial districts wherein shall be brought proceedings under the jurisdiction conferred by said Act:

(a) As to prizes captured on the Atlantic or Arctic Oceans or the connecting waters of either, the Southern District of New York

(b) As to prizes captured on the Pacific or Indian Oceans or the connecting waters of either, the Northern District of California.

This order shall be published in the FEDERAL REGISTER.

Dated: AUGUST 26, 1942.

FRANCIS BIDDLE,
Attorney General.

[F. R. Doc. 42-8797; Filed, September 4, 1942; 2:20 p. m.]

DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Docket No. B-308]

COAL HILL MINING CO., INC.

NOTICE OF AND ORDER FOR HEARING

In the matter of Coal Hill Mining Co., Inc., registered distributor, Registration No. 1675.

The Bituminous Coal Division (the "Division") finds it necessary in the proper administration of the Bituminous Coal Act of 1937, (the "Act") and the Bituminous Coal Code (the "Code") promulgated thereunder to determine:

A. Whether or not Coal Hill Mining Co., Inc., registered distributor, Registration No. 1675 (hereafter sometimes referred to as the "distributor"), whose address is Dubois, Pennsylvania, has violated any provision of the Act, the Code and orders and regulations of the Division, including the Marketing Rules and Regulations, Rules and Regulations for the Registration of Distributors and the Distributor's Agreement (the "agreement") dated June 11, 1940, and filed by Coal Hill Mining Co., Inc., pursuant to an Order of the National Bituminous Coal Commission dated March 24, 1939, entered in General Docket No. 12, which was adopted and ratified as an Order of the Division on July 1, 1939, and more particularly whether or not subsequent to September 30, 1940, said Registered Distributor:

1. During the period October 2, 1940, to September 2, 1941, both dates inclusive, acting as a registered distributor, purchased from the code members, approximately 5095.10 net tons of various sizes of coal produced by said code members at their respective mines, and in reselling said coal for rail shipment to various purchasers, prepaid the freight in the total amount of $13,168.82 thereon and physically handled said coal, as follows:

Code member producer	Mine index No.	Dates of shipment	Tonnage	Amount freight prepaid
Pennsylvania Coal & Coke Corporation	371	Oct. 2, 1940 to Sept. 2, 1941	2, 534. 95	$6, 388. 07
Stineman Coal & Coke Company	630	Oct. 16, 1940 to Nov. 24, 1941	1, 025. 40	2, 688. 84
The Pursglove Coal Mining Co	120	Oct. 21, 1940 to Nov. 6, 1940	150. 20	411. 55
Arrow Coal Corporation	18	Dec. 19, 1940	240. 10	605. 05
Reitz Coal Company	420	Oct. 9, 1940 to July 9, 1941	364. 65	1, 073. 15
W. J. Rainey, Inc	3	Oct. 14, 1940	39. 35	91. 89
Seger Bros. Coal Co., Inc	202	Oct. 12, 1940	28. 95	72. 95
DuShan Coal Mining Co	140	Nov. 16, 1940	34. 25	86. 31
Abbie E. Lansberry & Son	2337	Aug. 20, 1941	160. 30	415. 49
Goshen Valley Coal Co	130	June 23, 1941 to June 26, 1941	106. 50	280. 10
E. B. Peterson	102	Jan. 7, 1941	235. 35	614. 26
Heckler, B. F. (The "B" Quality Coal Co.)	57	June 23, 1941 to Nov. 19, 1941	175. 10	441. 25

and accepted and retained Distributor's discounts from the effective minimum prices of said coal, resulting in violations of Rule 1 (J) of section VII, Rules 3 and 6, respectively, of section XIII of the Marketing Rules and Regulations, section 4, Part II (i) 3 and 6, respectively, of the Act, Part II (i) 3 and 6, respectively, of the Code, and paragraphs (c), (d), and (e) of the Agreement;

2. During the period October 2, 1940 to September 2, 1941, both dates inclusive, acting as a registered distributor, purchased from said Pennsylvania Coal & Coke Corporation, a code member located in District 1, approximately 2101.50 net tons of 3/4" x 0 slack coal (Size Group 5), produced by said code member at its said Pennsylvania No. 3 Mine, Mine Index No. 371, located in Subdistrict 30 of District 1, which tonnage is a portion of that set forth in paragraph 1 hereof, and resold said coal to the Philadelphia Dairy Products Co., Philadelphia, Pennsylvania, at prices ranging from $4.84 to $5.14 per net ton f. o. b. destination, which prices were less than the minimum therefor of $2.15 f. o. b. the mine established by the Division in the Schedule of Effective Minimum Prices for District No. 1 for All Shipments Except Truck, plus the actual transporation, handling or incidental charges incurred in delivering said coal from the transportation facilities at said mine to the point from which all such charges were assumed and directly paid by such purchaser, as required by Price Instruction 9, as amended, of said schedule, resulting in violations by said Distributor of sections 4 II (e) and (g) of the Act, Part II (e) and (g) of the Code, and paragraphs (b) and (e) of its Agreement;

3. On or about July 17 and 18, 1941, acting as registered distributor, purchased from Waddell Fuel Company, a code member located in District 3, approximately 104.55 net tons of mine run coal produced by said code member at its Delmar No. 1 Mine, Mine Index No. 48, located in said district, and accepted and retained discounts thereon of 17 cents per net ton from the effective minimum f. o. b. mine price established therefor by the Division, which discounts were in excess of the maximum allowable discounts prescribed by the Division by Order of the Director entered in General Docket No. 12 dated June 19, 1940, resulting in violations by said Distributor of paragraph (a) of its Agreement;

4. During the period October 5, 1940 to September 23, 1941, both dates inclusive, acting as sales agent for the code member producers indicated below, pursuant to sales agency contracts entered into between said Distributor and the said code members, respectively, and filed with the Division, sold coal produced by said code members at their respective mines located in District No. 1, to various purchasers for rail shipment, prepaying the freight thereon in the total amount of $15,816.28, as follows:

Code member producer	Mine index No.	Dates of shipment	Tonnage	Amount freight prepaid
Barnes & Tucker Co	205	Sept. 10, 1941	42.7	$123.40
Kristianson & Johnson Coal Co., Inc	192, 258, 259, 260	Nov. 19, 1940, to May 19, 1941	661.95	1,740.93
Dugan Coal Co	654	Dec. 9, 1940, to Mar. 19, 1941	366.8	924.34
Ed. E. Carlson	605	Oct. 5, 1940, to Sept. 23, 1941	790.45	2,039.79
Fred Barilar	1042	Nov. 5, 1940, to Sept. 23, 1941	559.03	1,427.10
Harlan Spencer	638	Oct. 5, 1940, to Sept. 23, 1941	786.07	1,187.91
Hamilton Coal Co	707	Jan. 30, 1941, to Sept. 20, 1941	141.37	364.34
Nick Ferrari	2503	Nov. 5, 1940 to Sept. 23, 1941	550.53	1,434.75
Royal Quemahoning Coal Co	445	Sept. 5, 1941	43.35	118.78
Hamler Coal Mining Co	194	Jan. 29, 1941 to June 24, 1941	412.40	981.51
Robert O'Harah	2572	April 11, 1941 to April 29, 1941	195.60	451.93
James A. White Coal Co	651	April 7, 1941 to April 19, 1941	101.60	256.03
Superior Cherry Run Coal Co	90	Dec. 17, 1940 to Aug. 2, 1941	1,899.55	4,520.93
Culbertson Coal Co	1480	Nov. 22, 1940 to Dec. 26, 1940	89.25	244.54

resulting in violations by said Distributor of Rule 1 (J) of section VII, Rules 3 and 6, respectively, of section XIII of the Marketing Rules and Regulations, section 4, Part II (i) 3 and 6, respectively, of the Act, and Part II (i) 3 and 6, respectively, of the Code, and paragraphs (c) and (e) of its Agreement;

5. During the period January 11, 1941 to May 19, 1941, both dates inclusive, acting as sales agent for the code members indicated below, pursuant to sales agency agreements entered into between said Distributor and said code members, respectively, subsequent to August 8, 1940, sold coal produced by said code members at their respective mines located in District No. 1, to various purchasers for rail shipment and accepted and retained sales agency commissions, as provided by said sales agency agreements, which commissions were in excess of the maximum allowable discounts prescribed by the Division in the Order of the Director entered in General Docket No. 12, dated June 19, 1940, although said code members had not filed with the Division applications pursuant to the Order entered in General Docket No. 20, dated December 5, 1940, for permission to pay such commissions and had not been granted such permission by the Division, as follows:

Code member producer	Mine index No.	Dates of shipment	Tonnage	Total commission taken	Maximum allowable discount
Kristianson & Johnson Coal Co., Inc.	192, 258, 259, 260	Jan. 17, 1941 to May 19, 1941	537.70	$157.93	$64.53
Dugan Coal Co	654	Jan. 11, 1941 to Mar. 19, 1941	1,333.60	445.60	160.05
Appalacha Coal Co	13	Feb. 4, 1941	48.00	11.38	5.76
James A. White Coal Co	651	Apr. 7, 1941 to May 19, 1941	969.60	272.08	116.34
Robert O'Harah	2572	Apr. 11, 1941 to Apr. 29, 1941	194.00	55.61	23.28

resulting in participation by said Distributor in wilful violations by said code members, as principals in said transactions, of Rule 13 of section II of the Marketing Rules and Regulations and violations by said Distributor of paragraph (e) of its Agreement;

6. During the period October 15, 1940, to February 22, 1941, both dates inclusive, acting as sales agent for the code member producers indicated below, sold coal produced by said code members at their respective mines located in District No. 1 to various purchasers for rail shipment as follows:

Code member producer	Mine index No.	Dates of shipment	Tonnage	Size
Fred Barilar	1042	Oct. 15, 1940 to Jan. 30, 1941	649.07	2" N & S
Harlan Spencer	638	Oct. 14, 1940 to Nov. 11, 1940	229.73	2" N & S
Hamilton Coal Co	707	Jan. 20, 1941 to Feb. 22, 1941	16.93	2" N & S, Mine Run

for which coal minimum prices, temporary or final, had not been established by the Division, so that its participation in the aforesaid transactions which were in violation of the Order of the Director entered in General Docket No. 19, dated October 9, 1940, resulted in violations by said Distributor of paragraph (e) of its Agreement;

7. During the period October 5, 1940 to September 23, 1941, both dates inclusive, acting as sales agent for the code member producers indicated below, pursuant to sales agency contracts, entered into between said Distributor and the said code members, respectively, and filed with the Division, sold coal produced by said code members at their respective mines located in District No. 1 and accepted and retained sales agency commissions on said coal in excess of those stipulated in said sales agency contracts, although certified copies of agreements modifying the stipulated commissions as set forth in said sales agency contracts were not filed with the Division, as required by Rule 4 (B) of section II of the Marketing Rules and Regulations, as follows:

Code member producer	Mine index No.	Dates of shipment	Tonnage	Sales agency commission accepted	Stipulated sales agency commission
Ed. E. Carlson	605	Oct. 26, 1940, to Sept. 23, 1941	733.73	$301.23	$197.66
Fred Barilar	1042	Nov. 5, 1940, to Sept. 23, 1941	434.28	189.96	117.35
Harlan Spencer	638	Oct. 5, 1940, to Sept. 23, 1941	384.87	164.07	112.59
Hamilton Coal Co	707	Jan. 30, 1941, to Sept. 23, 1941	105.73	51.40	29.16
Nick Ferrari	2503	Nov. 5, 1940, to Sept. 23, 1941	437.92	189.59	118.29
Royal Quemahoning Coal Co	445	Jan. 10, 1941, to Jan. 29, 1941	135.25	42.52	30.52
Culbertson Coal Co	1480	Nov. 9, 1940, to Dec. 31, 1940	7,251.94	1,845.50	

resulting in participation by said Distributor in wilful violations by said code members, as principals in said transactions, of Rule 9 (a) of section II of the Marketing Rules and Regulations, and in violations by said Distributor of paragraph (e) of its Agreement;

8. During the period March 10, 1941 to March 25, 1941, both dates inclusive, acting as sales agent pursuant to sales agency contracts entered into between said Distributor and the Hamler Coal Mining Company, and the Superior Cherry Run Coal Company, respectively,

(a) Sold approximately 189.55 net tons of run of mine coal produced by the Hamler Coal Mining Company, a code member producer, at its Hamler Mine, Mine Index No. 194, in District No. 1, for rail shipment to Abbotts Dairies, Coudersport, Pennsylvania, at $4.43 per net ton f. o. b. said destination, and

(b) Sold on or about December 16 and 17, 1940, approximately 89.70 net tons of run of mine coal and 1" x 2" coal produced by the Superior Cherry Run Coal Company at its Cherry Run Mine, Mine Index No. 90, in District No. 1, for rail shipment to Abbotts Dairies, Coudersport, Pennsylvania, at $4.43 per net ton f. o. b. said destination,

which prices were less than the minimum prices of $2.15 f. o. b. the said Hamler Mine and of $2.15 f. o. b. the said Cherry Run Mine for the aforesaid mine run coal and 1" x 2" coal, respectively, plus the actual transportation, handling or incidental charges for delivering said coal from the transportation facilities at said mines to the point from which all such charges were assumed and directly paid by the said purchaser, as required by Price Instruction 9 of the said schedule, as amended, so that its participation in the aforesaid transactions, which were in violation of section 4 II (e) and (g) of the Act and Part II (e) and (g) of the Code, resulted in violation by said Distributor of paragraphs (b) and (e) of its Agreement.

9. During the period October 9, 1940 to December 31, 1940, both dates inclusive, acting as sales agent, pursuant to a sales agency contract entered into between said Distributor and Culbertson Coal Co., a code member producer, and filed with the Division, sold for rail shipment to various purchasers approximately 4,670.94 net tons of 2" nut and slack coal, produced by said Culbertson Coal Co. at its Harvey No. 1 Mine, Mine Index No. 1480, located in District 1, at $2.00 per net ton f. o. b. said mine, whereas minimum prices, temporary or final, had not been established by the Division for rail shipment of said coal, so that its participation in the aforesaid transactions, which were in violation of Order of the Division entered in General Docket No. 19 dated October 9, 1940, resulted in violation by said Distributor of paragraph (e) of its Agreement;

10. During the period October 5, 1940, to January 30, 1941, both dates inclusive, acting as sales agent for the code members indicated below, sold coal produced by said code members at their respective mines, located in District No. 1, as follows:

Code member producer	Mine index No.	Dates of shipment	Tonnage	Size group No.	Sales price f. o. b. mine
Ed. E. Carlson	605	Oct. 5, 1940 to Jan. 30, 1941	755.65	4	$2.15
Harlan Spencer	638	Nov. 26, 1940 to Jan. 31, 1941	179.75	4	2.15

whereas no minimum prices were established for Size Group No. 4 coal produced at the aforesaid mines, so that, as required by Price Instruction No. 5 of the Schedule of Effective Minimum Prices for District No. 1 for All Shipments Except Truck, such coal should have been sold at the effective minimum price of $2.25 per net ton established for Size Group No. 3 coal produced at said mines, and its participation in the aforesaid transactions, which were in violation of section 4, Part II (e) of the Act and Part II (e) of the Code, and Rule 2 of section XII of the Marketing Rules and Regulations, resulted in violation by said Distributor of paragraphs (b) and (e) of its Agreement;

B. Whether or not the registration of said Coal Hill Mining Co., Inc., registered distributor, Registration No. 1675, should be revoked or suspended, or other appropriate order should be issued.

It is, therefore, ordered, That a hearing pursuant to § 304.14 of the Rules and Regulations for the Registration of Distributors, to determine whether or not the aforementioned Coal Hill Mining Co., Inc., has committed violations in the respects heretofore described and whether or not the registration of said Distributor should be revoked or suspended, or other appropriate order should be issued, be held on September 30, 1942, at a hearing room of the Bituminous Coal Division at Room 118, Colonial Hotel, Altoona, Pennsylvania, at 10 a. m.

It is further ordered, That Charles S. Mitchell or any other officer or officers of the Bituminous Coal Division duly designated for that purpose shall preside at the hearing in such matter. The officer so designated to preside at such hearing is hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, take evidence, to continue said hearing from time to time, and to such places as he may direct by announcement at said hearing or any adjourned hearing or by subsequent notice, and to prepare and submit proposed findings of fact and conclusions and recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to said Coal Hill Mining Co., Inc., and to all persons and entities having an interest in such proceeding.

Notice is hereby given that answer setting forth the position of the aforementioned Coal Hill Mining Co., Inc., with reference to the matters hereinbefore described must be filed with the Bituminous Coal Division at its Washington Office or with any one of the field offices of the Division within twenty (20) days after date of service hereof on said Coal Hill Mining Co., Inc., and that failure to file an answer herein within such period, unless the presiding officer shall otherwise order, shall be deemed to be an admission by said Coal Hill Mining Co., Inc., of the commission of the violations hereinbefore described and a consent to the entry of an appropriate order thereon.

Notice is also hereby given that any application, pursuant to § 301.132 of the Rules of Practice and Procedure before the Division, for the disposition of this proceeding without formal hearing, must be filed not later than fifteen (15) days after receipt by the Code Member of the complaint herein.

All persons are hereby notified that the hearing in the above-entitled matter and orders entered therein may concern, in addition to the matters specifically alleged herein, other matters incidental and related thereto, whether raised by amendment, petition for intervention, or otherwise, and all persons are cautioned to be guided accordingly.

Dated: September 3, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8796; Filed, September 4, 1942; 12:21 p. m.]

[Docket No. A-1604]

DISTRICT BOARD 3—RAY MCDONALD

NOTICE OF AND ORDER FOR HEARING AND ORDER GRANTING TEMPORARY RELIEF

In the matter of the petition of District Board No. 3 for a change in the price classifications and minimum prices established for all shipments except truck for the coals of the McDonald No. 1 Mine, Mine Index No. 677, of Ray McDonald.

A petition, pursuant to the Bituminous Coal Act of 1937, having been duly filed with this Division by the above-named party;

It is ordered, That a hearing in the above-entitled matter under the applicable provisions of said Act and the rules of the Division be held on October 7, 1942, at 10 o'clock in the forenoon of that day, at a hearing room of the Bituminous Coal Division, 734 Fifteenth Street NW., Washington, D. C. On such day the Chief of the Records Section in room 502 will advise as to the room where such hearing will be held.

It is further ordered, That Travis Williams or any other officer or officers of the Division duly designated for that purpose shall preside at the hearing in such matter. The officers so designated to preside at such hearing are hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, take evidence, to continue said hearing from time to time, and to prepare and submit proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to all parties herein and to persons or entities having an interest in this proceeding and eligible to become a party herein. Any person desiring to be admitted as a party to this proceeding may file a petition of intervention in accordance with the rules and regulations of the Bituminous Coal Division for proceedings instituted pursuant to section 4 II (d) of the Act, setting forth the facts on the basis of which the relief in the original petition is supported or opposed or on the basis of which other relief is sought. Such petitions of intervention shall be filed with the Bituminous Coal Division on or before October 2, 1942.

All persons are hereby notified that the hearing in the above-entitled matter and any orders entered therein may concern, in addition to the matters specifically alleged in the petition, other matters necessarily incidental and related thereto, which may be raised by amendment to the petition, petitions of intervention, or otherwise, or which may be necessary corollaries to the relief, if any, granted on the basis of this petition.

The matter concerned herewith is in regard to petition filed with the Division by District Board No. 3, requesting the following changes and additions to the price classifications and minimum prices of the coals of the McDonald Mine, Mine Index No. 677, of McDonald Coal Company, a code member in District No. 3: A change in the price classifications from "F" to "DE" in Size Groups 1 to 6, inclusive; a change from "F" to "DF" in Size Groups 7 to 10, inclusive; and an additional classification of "B" in Size Groups 11 to 16, inclusive.

It is further ordered, That, pending final disposition of the above-entitled matter, temporary relief be, and the same hereby is, granted as follows: Commencing forthwith, the Schedule of Effective Minimum Prices for District No. 3 for

All Shipments Except Truck, is supplemented to include the price classifications and minimum prices in the schedule marked "Temporary Supplement R" annexed hereto and made a part hereof.[1]

Notice is hereby given that applications to stay, terminate, or modify the temporary relief herein granted may be filed with the Division pursuant to the Rules and Regulations Governing Practice and Procedure Before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

Dated: September 3, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8789; Filed, September 4, 1942; 12:19 p. m.]

[Docket No. B-250]

CLAUDE B. BRATCHER

ORDER APPROVING AND ADOPTING THE PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW OF THE EXAMINER, AND REVOKING CODE MEMBERSHIP

In the matter of Claude B. Bratcher, code member.

This proceeding was instituted upon a complaint duly filed with the Bituminous Coal Division on April 23, 1942, by District Board 9. The complaint alleged that code member wilfully violated the Bituminous Coal Code, or the rules and regulations thereunder, and prayed that the Division either cancel and revoke Claude B. Bratcher's code membership, or, in its discretion, direct Bratcher to cease and desist from violations of the Code and the rules and regulations thereunder.

A hearing in this matter was held on June 18, 1942, before Joseph A. Huston, a duly designated Examiner of the Division, at a hearing room thereof at Owensboro, Kentucky. Interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses, and otherwise be heard. Neither District Board 9 nor code member appeared at the hearing.

The Examiner made and entered his Report, Proposed Findings of Fact, Proposed Conclusions of Law and Recommendation in this matter, dated August 6, 1942, finding that code member wilfully violated section 4 II (e) of the Act by selling during the period from August 1, 1941, to September 3, 1941, 216 tons of lump coal below the effective minimum price therefor, and that he also violated paragraph 8 of section 4 II (i) of the Act and Rule 8 of section XII and Rule 2 of section XII of the Marketing Rules and Regulations, by misrepresenting the sizes and designations of his coal.

The Examiner recommended that an order be entered cancelling and revoking the code membership of said Claude B. Bratcher, and providing that prior to reinstatement into code membership, said Bratcher shall pay to the United States a tax in the sum of $147.42 in accordance with the provisions of section 5 (c) of the Act.

An opportunity was afforded to all parties to file exceptions and supporting briefs to said Examiner's Report and no such exceptions or supporting briefs have been filed.

The undersigned has considered the record in this matter and has determined that the proposed findings of fact and proposed conclusions of law of the Examiner should be approved and adopted as his findings of fact and conclusions of law.

Now, therefore, it is ordered, That the proposed findings of fact and proposed conclusions of law of the Examiner be, and they hereby are, adopted as the findings of fact and conclusions of law of the undersigned.

It is further ordered, That effective fifteen (15) days from the date hereof the code membership of Claude B. Bratcher, who operates the Claude B. Bratcher Mine, Mine Index No. 407, located in Ohio County, Kentucky, District No. 9, be, and it hereby is cancelled and revoked.

It is further ordered, That prior to the reinstatement of said Claude B. Bratcher, he shall pay to the United States a tax, as provided in section 5 (c) of the Act, in the amount of $147.42.

Dated: September 3, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8790; Filed, September 4, 1942; 12:19 p. m.]

[Docket No. B-220]

GIBBS BROTHERS

ORDER APPROVING AND ADOPTING THE PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW OF THE EXAMINER AND REVOKING CODE MEMBERSHIP

In the matter of Arthur Gibbs and Wilson Gibbs, individuals and as co-partners, doing business under the name and style of Gibbs Brothers, code member.

This proceeding was instituted upon a complaint filed with the Bituminous Coal Division on February 12, 1942, by District Board 11. The complaint alleged that code member wilfully violated the Bituminous Coal Code, or the rules and regulations thereunder, and prayed that the Division either cancel or revoke its code membership, or, in its discretion, direct code member to cease and desist from violations of the Code and rules and regulations thereunder.

A hearing was held in this matter on April 22, 1942, before Joseph B. Dermody, a duly designated Examiner of the Division at a hearing room thereof, at Vincennes, Indiana. All interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses, or otherwise be heard. District Board 11 appeared at the hearing but the code member did not.

The Examiner made and entered his Report, Proposed Findings of Fact, Proposed Conclusions of Law and Recommendation in this matter, dated August 3, 1942, finding that code member wilfully violated section 4 II (e) of the Act and the Schedule of Effective Minimum Prices for District 11 for Truck Shipments, by selling during the period from October 1, 1940 to August 31, 1941, approximately 111 tons of 1" x 0 screenings, produced at its Gibbs Mine, Mine Index No. 414, located in Center Township, Martin County, Indiana, at the price of 60 cents per ton f. o. b. the mine, whereas, the effective minimum price for said coal was $1.55 per ton f. o. b. the mine. The Examiner also found that code member violated the appropriate orders of the Division by failing and neglecting during the period from October 1, 1940 to August 31, 1941, to keep proper records pertaining to the production and sale of 1" x 0 screenings produced at its mine.

The Examiner recommended that an order be entered cancelling and revoking the code membership of said Arthur Gibbs and Wilson Gibbs, individuals and as co-partners, doing business under the name and style of Gibbs Brothers, and providing that prior to reinstatement into membership in the Code it shall pay to the United States a tax in the sum of $67.10, in accordance with the provisions of section 5 (c) of the Act.

An opportunity was afforded to all parties to file exceptions and supporting briefs to said Examiner's Report and such exceptions or supporting briefs have not been filed.

The undersigned has considered the record in this matter and has determined that the proposed findings of fact and proposed conclusions of law of the Examiner should be approved and adopted as his findings of fact and conclusions of law.

Now, therefore, it is ordered, That the proposed findings of fact and proposed conclusions of law of the Examiner be, and the same are hereby approved and adopted as the findings of fact and conclusions of law of the undersigned.

It is further ordered, That effective fifteen (15) days from the date hereof, the code membership of Arthur Gibbs and Wilson Gibbs, individuals and as co-partners, doing business under the name and style of Gibbs Brothers operating the Gibbs Mine, Mine Index No. 414, be, and it hereby is, cancelled and revoked.

It is further ordered, That prior to the reinstatement of said Arthur Gibbs and Wilson Gibbs, individuals or as co-partners, doing business under the name and style of Gibbs Brothers, into membership in the Code, there shall be paid to the United States a tax, as provided in section 5 (c) of the Act, in the amount of $67.10.

Dated: September 3, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8794; Filed, September 4, 1942; 12:20 p. m.]

[1] Not filed as part of the original document.

[Docket No. B-257]

C. V. OKES

ORDER APPROVING AND ADOPTING THE PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW OF THE EXAMINER, AND DISMISSING COMPLAINT

In the matter of C. V. Okes, code member.

This proceeding was instituted upon a complaint filed with the Bituminous Coal Division on April 30, 1942, by District Board 7. The complaint alleged that code member wilfully violated the Bituminous Coal Code, or the rules and regulations thereunder, and prayed that the Division either cancel or revoke the code membership of C. V. Okes, or, in its discretion, direct Okes to cease and desist from violations of the Code and rules and regulations thereunder.

A hearing in this matter was held on June 30, 1942, before Travis Williams, a duly designated Examiner of the Division, at a hearing room thereof in Bluefield, West Virginia. Interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses, or otherwise be heard. District Board 7 did not appear at the hearing. Code member appeared by counsel.

The Examiner made and entered his Report, Proposed Findings of Fact, Proposed Conclusions of Law and Recommendation in this matter, dated August 8, 1942, finding that code member violated Rule 1 (F) of section VII of the Marketing Rules and Regulations by selling coal produced at code member's mine and receiving payment for same in other than United States currency or funds equivalent thereto. The Examiner found that there was a fatal variance between the proof and the allegations in the complaint, and recommended that the complaint against this code member be dismissed without prejudice to any further action by the Division.

An opportunity was afforded to all parties to file exceptions and supporting briefs to said Examiner's Report, and no such exceptions or supporting briefs have been filed.

The undersigned has considered the record in this matter and has determined that the proposed findings of fact and proposed conclusions of law of the Examiner should be approved and adopted as his findings of fact and conclusions of law.

Now, therefore, it is ordered, That the proposed findings of fact and proposed conclusions of law of the Examiner be, and they hereby are, approved and adopted as the findings of fact and conclusions of law of the undersigned.

It is further ordered, That the proceedings instituted against said C. V. Okes, a code member, operating the Blue Jay No. 6 Mine, Mine Index No. 639, located in Raleigh County, West Virginia, be and it hereby is dismissed, without prejudice.

Dated: September 3, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8793; Filed, September 4, 1942; 12:20 p. m.]

[Docket No. B-158]

JOHN WEBB

ORDER APPROVING AND ADOPTING THE PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW OF THE EXAMINER, AND CEASE AND DESIST ORDER

In the matter of John Webb, code member.

This proceeding was instituted upon a complaint filed with the Bituminous Coal Division on January 6, 1942, by District Board 8. The complaint alleged that code member wilfully violated the Bituminous Coal Code, or the rules and regulations thereunder, and prayed that the Division either cancel or revoke his code membership, or, in its discretion, direct code member to cease and desist from violations of the Code and rules and regulations thereunder.

A hearing in this matter was held on February 21, 1942, before Joseph A. Huston, a duly designated Examiner of the Division, at a hearing room thereof, at Catlettsburg, Kentucky. Interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses, and otherwise be heard. District Board 8 and code member appeared.

The Examiner made and entered his Report, Proposed Findings of Fact, Proposed Conclusions of Law and Recommendation in this matter, dated August 3, 1942, finding that code member wilfully violated section 4 II (e) of the Act, by selling during the period from March 31, 1941 to July 18, 1941, to Deer Creek Coal Company, Olive Hill, Kentucky, approximately 552.32 tons of high volatile, Size Group 6, mine run coal produced at his Webb Mine, Mine Index No. 2872, located in Lawrence County, Kentucky, at a price of $1.50 f. o. b. the mine, whereas, the effective minimum price for this particular coal was $2.00 per ton f. o. b. the mine.

The Examiner recommended that an order be entered directing said John Webb to cease and desist from selling coal at prices below the established minima or from otherwise violating the Act, the Code, the Schedule of Effective Minimum Prices for Truck Shipments, or the Marketing Rules and Regulations.

An opportunity was afforded to all parties to file exceptions to said Examiner's report and such exceptions or supporting briefs have not been filed.

The undersigned has considered the record in this matter and has determined that the proposed findings of fact and proposed conclusions of law of the Examiner should be approved and adopted as his findings of fact and conclusions of law.

Now, therefore, it is ordered, That the proposed findings of fact and proposed conclusions of law of the Examiner be, and the same are hereby approved and adopted as the findings of fact and conclusions of law of the undersigned.

It is further ordered, That code member, John Webb, his representatives, agents, servants, employees, attorneys, heirs, administrators, successors or assigns, cease and desist, and they are hereby permanently enjoined and restrained from selling or offering to sell coal below the effective minimum prices established therefor, or from otherwise violating the Bituminous Coal Act, the Code, the Schedule of Effective Minimum Prices for District 8, For Truck Shipments, the Marketing Rules and Regulations and all appropriate orders of the Division.

It is further ordered, That the Division may, upon failure of code member herein to comply with this order, forthwith apply to the Circuit Court of Appeals of the United States within any circuit wherein the code member resides or carries on business for the enforcement hereof or take any other appropriate action.

Dated: September 2, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8795; Filed, September 4, 1942; 12:20 p. m.]

[Docket No. B-206]

FRANCIS WEIDERKEHR

ORDER APPROVING AND ADOPTING PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW, AND RECOMMENDATION OF THE EXAMINER, AND REVOKING AND CANCELLING CODE MEMBERSHIP

In the matter of Francis Weiderkehr, also known as Francis Wiederkehr, code member, defendant.

This proceeding having been instituted upon a complaint filed with the Bituminous Coal Division on February 1, 1942, by District Board No. 11, alleging that Francis Weiderkehr, an individual doing business under the name of Francis Wiederkehr, a code member, had wilfully violated the Bituminous Coal Code or the rules and regulations thereunder, and prayed that the Division either cancel or revoke Francis Weiderkehr's code membership, or in its discretion, direct the code member to cease and desist from violations of the Code and rules and regulations thereunder;

A hearing in this matter having been held on April 22, 1942, before Joseph D. Dermody, a duly designated Examiner of the Division, at a hearing room thereof in Vincennes, Indiana;

The Examiner having made and entered his Report, Proposed Findings of Fact, Proposed Conclusions of Law, and Recommendation in this matter, dated August 1, 1942, recommending that an order be entered by the Acting Director cancelling and revoking the code membership of Francis Weiderkehr:

An opportunity having been afforded to all parties to file exceptions thereto and supporting briefs and no such exceptions nor supporting briefs having been filed;

The undersigned having considered this matter and having determined that the proposed findings of fact and proposed conclusions of law of the Examiner should be approved and adopted as the findings of fact and conclusions of law of the undersigned;

Now, therefore, it is ordered, That the proposed findings of fact and proposed conclusions of law of the Examiner be

and they hereby are adopted as the findings of fact and conclusions of law of the undersigned.

It is further ordered, That the code membership of Francis Weiderkehr, code member, doing business as Francis Wiederkehr, be, and it is hereby, cancelled and revoked, effective fifteen (15) days from the date of this order.

It is further ordered, That prior to the reinstatement of the code membership of Francis Weiderkehr said Francis Weiderkehr shall pay to the United States a tax in the sum of $413.40 in accordance with section 5 (c) of the Act.

Dated: September 3, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8792; Filed, September 4, 1942; 12:20 p. m.]

[Docket No. 1221-FD]

WALTER WOODROW

DETERMINATION OF INTERIM EXEMPTION

In the matter of the application of Walter Woodrow for exemption, pursuant to section 4-A of the Bituminous Coal Act of 1937.

Pursuant to the second paragraph of section 4-A of the Bituminous Coal Act of 1937, Walter Woodrow (applicant) on February 12, 1940, filed an application for a determination of the status of the coal produced at a mine operated by him in Cascade County, Montana, approximately nine miles south of the town of Simms, Montana. The application alleges among other matters, that applicant commenced the production of coal from this mine in December 1938, and that 381 tons of run of mine were produced during the year 1939, all of which was sold for consumption in the state of Montana.

An order of the Director, dated October 17, 1939, 4 F.R. 4301, in General Docket No. 17, provided, among other matters, that

> All applications seeking exemption pursuant to the provisions of the second paragraph of section 4-A should be filed within the following periods of time:
>
> 1. If the commerce covered by the application exists upon the effective date of this rule, not more than 30 days after such date.
>
> Any application which is filed after the periods herein specified will be presumed not to have been filed in good faith.

On May 11, 1942, applicant requested a determination that he is entitled to the interim exemption provided in the second paragraph of section 4-A of the Act on the ground that the said application had been filed in good faith. With this request, applicant submitted an affidavit stating that he was not aware of the Order in General Docket No. 17, but that he filed the aforesaid application for exemption forthwith upon receipt of notice of the Order, dated June 27, 1938, 3 F.R. 1565, issued by the National Bituminous Coal Commission (predecessor of the Bituminous Coal Division), in Docket No. 153-FD. The affidavit further recites that on September 1, 1941, applicant disposed of the mine involved herein, and since that time has not been engaged in the business of producing coal.

The said Order in Docket No. 153-FD provided, among other matters:

> That on and after the first day of August 1938, all coal sold, delivered or offered for sale in transactions in intrastate commerce in such coal in all localities within the state of Montana, should be subject to the provisions of section 4-A of the Bituminous Coal Act of 1937 * * *
>
> That any producer of bituminous coal in intrastate commerce within the state of Montana, who may believe that he or it in particular transactions in intrastate commerce in bituminous coal should be exempted * * * from the provisions of section 4-A of said Bituminous Coal Act of 1937, may file application at any time hereafter for exemption pursuant to the second paragraph of section 4-A of said Act, and be entitled to a hearing for appropriate orders thereon.

It appears that the recitals contained in the affidavit rebut the presumption of bad faith established by the order of the Director, dated October 17, 1939, in General Docket No. 17.

Now, therefore, it is determined that in accordance with the provisions of the second paragraph of section 4-A of the Bituminous Coal Act of 1937, Walter Woodrow has been exempt during the period beginning with the third day following the filing of the said application and ending September 1, 1941, from any obligation, duty or liability imposed by section 4 of the Act, with respect to the commerce covered by the said application.

Dated: September 3, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8791; Filed, September 4, 1942; 12:19 p. m.]

[Docket No. A-1580]

DISTRICT BOARD NO. 8

ORDER POSTPONING HEARING

In the matter of the petition of District Board No. 8 for a change in territorial boundary between District 3 and District 8 in Nicholas County, West Virginia.

The original petitioner, District Board No. 8, having moved that the hearing in the above-entitled matter be postponed until a date subsequent to September 22, 1942, and having shown good cause why its motion should be granted, and there having been no opposition thereto:

Now therefore, it is ordered, That the hearing in the above-entitled matter be postponed from September 22, 1942, to 10 o'clock in the forenoon of October 14, 1942, at the place heretofore designated and before an officer to be designated to preside at such hearing.

Dated: September 5, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8881; Filed, September 8, 1942; 11:45 a. m.]

[Docket No. A-1557]

DISTRICT BOARD NO. 8

ORDER POSTPONING HEARING

In the matter of the petition of District Board No. 8 for a change of price classifications and minimum prices for rail and truck shipment for the coals of certain mines in District No. 8 and to remove all of Leslie County, Kentucky, from Subdistrict No. 6, Southern Appalachian, and add it to Subdistrict No. 3 Hazard, in District No. 8.

The original petitioner, District Board No. 8, having moved that the hearing in the above-entitled matter be postponed until a date subsequent to September 9, 1942, and having shown good cause why its motion should be granted, and there having been no opposition thereto:

Now, therefore, it is ordered, That the hearing in the above-entitled matter be postponed from September 9, 1942, to 10 o'clock in the forenoon of October 14, 1942, at the place heretofore designated and before an officer to be designated to preside at such hearing.

Dated: September 5, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8882; Filed, September 8, 1942; 11:46 a. m.]

[Docket No. A-1294]

DISTRICT NO. 23

MEMORANDUM OPINION AND ORDER ADOPTING THE PROPOSED FINDINGS OF FACT AND PROPOSED CONCLUSIONS OF LAW OF THE EXAMINER AND ORDER DENYING RELIEF

In the matter of establishment of a moisture allowance on truck shipments from mines in District No. 23, when coal is washed or wet-screened, in Size Groups 12 through 18 and 21 through 25. Prayer for temporary and permanent relief under section 4 II (d) of the Bituminous Coal Act of 1937.

This proceeding was instituted upon a petition filed witn the Bituminous Coal Division on January 31, 1942, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, by District Board No. 23, proposing the adoption by the Division of a price exception applicable to the sale of coal for truck shipments, permitting code members of District No. 23 to make an allowance of 3 per cent for moisture on sales of coal for truck shipments for Size Group 12 through 18 and 21 through 25.

Pursuant to appropriate orders, a hearing in this matter was held on April 7, 1942, before Scott A. Dahlquist, a duly designated Examiner of the Division, at a hearing room thereof in Salt Lake City, Utah. Interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses and otherwise be heard. District Boards Nos. 19, 20 and 23, and the United States Fuel Company appeared at the hearing. The Bituminous Coal Consumers' Coun-

sel filed a notice of appearance but did not appear at the hearing. He filed a brief with the Examiner and subsequent to the issuance of the Examiner's Report, filed exceptions thereto. District Board No. 23 also filed exceptions to the Examiner's Report.

The Examiner made and entered his report, proposed findings of fact, proposed conclusions of law and recommendation in this matter under date of July 13, 1942. He found that upon the basis of the record, the petitioner failed to adduce sufficient evidence to justify the relief requested and recommended that the relief requested by the petitioner be denied.

Both in his brief before the Examiner and in his exceptions to the Examiner's Report, the Bituminous Coal Consumers' Counsel urges that the relief requested by the petitioner be allowed. His reasons are: First, it is improper and discriminatory for the Division practically to force code members to sell coal, part of which is water or moisture, and second, it violates provisions of municipal ordinances governing under-weighing and adulteration of merchandise.

The position taken by District Board No. 23 is similar to that of the Bituminous Coal Consumers' Counsel. District Board No. 23 particularly stresses the point that the refusal to grant the relief requested by the petitioner will force code members to violate municipal ordinances against underweighing and adulteration of merchandise. It also makes the joint thought that upon recession of the coal market the code members, who presently make the 3 per cent allowance for moisture without violating the minimum prices, since coal prices are now above the minimum established by the Division, will then be violating the minimum price schedules.

The record in this matter does not warrant the undersigned granting a 3 per cent moisture allowance for washed or wet-screened coal of all sizes below 2 inches. There is evidence in the record showing that coal, when prepared for truck shipments, is weighed at the mine after being wet-screened or watered; at such time it contains a certain percentage of water depending on the size of coal and the type of washing equipment. It is not clear, however, from the evidence submitted as to exactly what percentage of moisture or water is contained in each of the Size Groups 12 through 18 and 21 through 25. It is a well-known fact that the smaller the size of coal, the more moisture it will hold. To group all the various sizes of coal, for which relief is requested by the petitioner, into one class and allow 3 per cent for water or moisture is not justified by evidence in the record. To grant the relief requested by the petitioner and leave the matter of the exact amount of moisture allowance to the code members might, under strained conditions, give rise to unjustified and unfair price allowances and thus violate the minimum price provisions of the Act.

The undersigned has carefully considered all the evidence in this record and has given full consideration to the contentions made by the Bituminous Coal Consumers' Counsel and by District Board No. 23. He has determined, however, that the proposed findings of fact and proposed conclusions of law of the Examiner are amply supported by the record and that they should be approved and adopted.

Now, therefore, it is ordered, That the proposed findings of fact and proposed conclusions of law of the Examiner be, and the same hereby are approved and adopted as the findings of fact and conclusions of law of the undersigned;

It is further ordered, That the exception to the Examiner's Report filed herein by the Bituminous Coal Consumers' Counsel be, and the same is hereby overruled; and,

It is further ordered, That the relief requested by District Board No. 23 for the adoption of a price exception permitting code members to make a 3 per cent allowance on wet-screened and watered coal be, and it hereby is denied.

Dated: September 5, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8879; Filed, September 8, 1942; 11:46 a. m.]

[Docket No. A-1496]

DISTRICT BOARD NO. 19

ORDER CORRECTING TYPOGRAPHICAL ERRORS IN THE PRINTED COPIES OF THE ORDER OF JUNE 24, 1942

In the matter of the petition of District Board No. 19 for the establishment of price classifications and minimum prices for certain mines in District No. 19.

An order granting temporary relief and conditionally providing for final relief was issued in the above-entitled matter on June 24, 1942. Although the original order was correct, the printed copies thereof incorrectly show the minimum prices for coals of the Pat Burnell (Burnell Coal) Gebo No. 1 Mine (Mine Index No. 238) in Subdistrict 5 of District No. 19 in Size Groups 1 and 2, for shipment via rail to Market Areas 209 and 211 as 445 cents. The correct minimum prices as shown in the original order are 455 cents.

Accordingly, all copies of the above-mentioned order should be corrected by the insertion of minimum prices of 455 cents, in lieu of the minimum prices of 445 cents for the coals of the Pat Burnell (Burnell Coal) Gebo No. 1 Mine (Mine Index No. 238) in Subdistrict 5 of District No. 19, in Size Groups 1 and 2, for shipment via rail to Market Areas 209 and 211.

And it is so ordered.

Dated: September 5, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8883; Filed, September 8, 1942; 11:47 a. m.]

[Docket No. B-110]

FRANCIS E. BURK AND SONS AND HOWARD WILLIAMS

ORDER GRANTING APPLICATION FOR THE RESTORATION OF CODE MEMBERSHIP

In the matter of William Burk, Charles Burk, and Howard Williams, individually and as copartners, doing business under the name and style of Francis E. Burk & Sons and Howard Williams, defendants.

A complaint dated October 13, 1941, pursuant to the provisions of sections 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937 (the "Act") having been duly filed on October 16, 1941, by Bituminous Coal Producers Board for District No. 1, complainant, with the Bituminous Coal Division (the "Division") alleging that William Burk, Charles Burk and Howard Williams, individually and as copartners, doing business under the name and style of Francis E. Burk & Sons and Howard Williams, wilfully violated the Bituminous Coal Code (the "Code"), or rules and regulations thereunder; and

An order entitled "In the Matter of Francis E. Burk & Sons and Howard Williams, Individually and as Copartners Doing Business Under the Name and Style of Francis E. Burk & Sons and Howard Williams," having been issued herein on June 25, 1942, revoking and canceling the code membership of the above-named defendants and ordering that prior to any reinstatement of membership in the Code there shall be paid to the United States, a tax of six hundred and sixty dollars and twenty cents ($660.20) as provided by section 5 (c) of the Act, and said order having been served on the above-named defendants on June 30, 1942; and

An application, dated August 22, 1942, for restoration of membership in the Code, to become effective as of the date of the payment of said tax, having been filed by said defendants with the Division on August 24, 1942; and

It appearing from said application that the above-named defendants paid to the Collector of Internal Revenue at Pittsburgh, Pennsylvania, on August 6, 1942, said tax of six hundred and sixty dollars and twenty cents ($660.20), pursuant to said order issued June 25, 1942, and section 5 (c) of the Act, as a condition precedent to the restoration of said membership in the Code;

Now, therefore, it is ordered, That said Application be, and the same hereby is, granted; and

It is further ordered, That the Code membership of William Burk, Charles Burk, and Howard Williams, individually and as copartners, doing business under the name and style of Francis E. Burk & Sons and Howard Williams be and the same hereby is restored as of August 6, 1942, at 12:01 a. m.

Dated: September 5, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8884; Filed, September 8, 1942; 11:47 a. m.]

[Docket No. B-232]

THE BURNS MINE

ORDER APPROVING AND ADOPTING PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW AND RECOMMENDATION OF THE EXAMINER, AND CEASE AND DESIST ORDER

In the matter of Robert Burns and Irvin R. Burns, individually and as copartners, doing business under the name and style of the Burns Mine (Burns Mine, Robert Burns, Manager, Irvin R. Burns), code member.

This proceeding having been instituted upon a complaint filed with the Bituminous Coal Division on March 9, 1942, by District Board No. 22, alleging that copartners Robert Burns and Irvin R. Burns, individually and as copartners, doing business under the name and style of Burns Mine, a code member in District 22, had wilfully violated the Bituminous Coal Code or the rules and regulations thereunder, and praying that the Division either cancel or revoke the code membership of the code member, or, in its discretion, direct the code member to cease and desist from violations of the Code and rules and regulations thereunder;

A hearing in this matter having been held on June 30, 1942, before Joseph A. Huston, a duly designated Examiner of the Division, at a hearing room thereof in Billings, Montana;

The Examiner having made and entered his report, proposed findings of fact, proposed conclusions of law, and recommendation in this matter, dated August 6, 1942, in which he recommended that an order be entered by the Acting Director requiring code member to cease and desist from selling coal below the effective minimum prices and from falsely billing or invoicing his coal, and from otherwise violating the Act, the Code, or the Marketing Rules and Regulations;

An opportunity having been afforded to all parties to file exceptions thereto and supporting briefs, and no such exceptions nor supporting briefs having been filed;

The undersigned having considered this matter and having determined that the proposed findings of fact and proposed conclusions of law of the Examiner should be approved and adopted as the findings of fact and conclusions of law of the undersigned;

Now, therefore, it is ordered, That the proposed findings of fact and proposed and supporting briefs, and no such exconclusions of law of the Examiner be, and they hereby are, adopted as the findings of fact and conclusions of law of the undersigned.

It is further ordered, That code members Robert Burns and Irvin R. Burns, doing business as the Burns Mine, their representatives, agents, servants, employees, attorneys, successors, or assignees, and all persons acting or claiming to act in their behalf or interest, cease and desist, and they are hereby permanently enjoined and restrained, from selling or offering to sell coal below the prescribed minimum prices therefor, and from violating the Bituminous Coal Act, the Code, the Schedule of Effective Minimum Prices for District No. 22 for All Shipments, the Marketing Rules and Regulations and all appropriate orders of the Division.

It is further ordered, That the Division may, upon failure of the code members herein to comply with this Order, forthwith apply to the Circuit Court of Appeals of the United States within any circuit where they carry on business for the enforcement thereof or take any other appropriate action.

Dated: September 5, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8880; Filed, September 8, 1942; 11:46 a. m.]

[Docket No. B-277]

MARKET STREET COAL COMPANY

ORDER DENYING MOTIONS TO DISMISS PROCEEDING AND TO STAY HEARING

In the matter of J. H. Cox and R. L. Stulce, individually and as partners doing business under the name and style of Market Street Coal Company, code member.

The complaint, dated June 9, 1942, herein having been duly filed on June 15, 1942, with the Bituminous Coal Division by Bituminous Coal Producers Board for District No. 13, complainant, and a hearing thereon having been scheduled for July 29, 1942, at 10 a. m. at a hearing room of the Division at the Chancery Court Room, Court House, Chattanooga, Tennessee, by order dated June 25, 1942, which was subsequently postponed by order dated July 22, 1942, to a place and date thereafter to be designated by appropriate order; and

The above-named code member having filed with the Division on July 13, 1942, its answer herein dated July 9, 1942, in which it moved for the dismissal of the complaint and a stay of the hearing for the duration of the present war; and

The undersigned having considered said motions; and

It appearing that said motions do not state grounds warranting the dismissal of the aforesaid complaint and stay of the hearing herein;

Now, therefore, it is ordered, That the motions of the code member for dismissal of the aforesaid complaint and stay of hearing herein be and they hereby are denied.

Dated: September 4, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8877; Filed, September 8, 1942; 11:45 a. m.]

[Docket No. 1714-FD]

THOMAS REDDING

ORDER POSTPONING HEARING AND REDESIGNATING TRIAL EXAMINER

In the matter of Thomas Redding, code member.

The above-entitled matter having been heretofore scheduled for hearing on September 10, 1942, at 10 a. m. at a hearing room of the Bituminous Coal Division at the Community Room, City Hall, Altoona, Pennsylvania, pursuant to notice of and order for hearing entered in the above-entitled matter on July 24, 1942; and

The Acting Director deeming it advisable that said hearing should be postponed;

Now, therefore, it is ordered, That the said hearing in the above-entitled matter be and the same hereby is postponed from September 10, 1942, at 10 a. m. to September 29, 1942, at 10 a. m. at a hearing room of the Bituminous Coal Division at Room 118, Colonial Hotel, Altoona, Pennsylvania.

It is further ordered, That Charles S. Mitchell shall preside at said hearing vice W. A. Cuff; and

It is further ordered, That the said notice of and order for hearing entered herein on July 24, 1942 shall, in all other respects, remain in full force and effect.

Dated: September 4, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8878; Filed, September 8, 1942; 11:45 a. m.]

[Docket No. B-242]

ROWELL AND ROWELL

ORDER APPROVING AND ADOPTING THE PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW OF THE EXAMINER, AND CEASE AND DESIST ORDER

In the matter of Fred Rowell and Audebee Rowell, also known as Audibee Rowell, and individually and as copartners, doing business under the name and style of Rowell and Rowell, code member.

This proceeding was instituted upon a complaint filed with the Bituminous Coal Division on April 15, 1942, by District Board 13. The complaint alleged that code member wilfully violated the Bituminous Coal Code, or the rules and regulations thereunder, and prayed that the Division either cancel and revoke this code membership or, in its discretion, direct code member to cease and desist from violations of the Code and rules and regulations thereunder.

A hearing in this matter was held on June 17, 1942, before Travis Williams, a duly designated Examiner of the Division at a hearing room thereof at Birmingham, Alabama. Interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses and otherwise be heard. District Board 13 appeared at the hearing. Code member appeared without counsel.

The Examiner made and entered his Report, Proposed Findings of Fact, Proposed Conclusions of Law, and Recommendations in this matter, dated August 8, 1942, finding that code member wilfully violated the order of the Director in General Docket No. 19, dated October 9, 1940, by selling during the month of July 1941, approximately 26 tons of 1½" x 0 coal and 13 tons of lump coal without first having obtained classifications and

prices therefore, and that code member violated Order No. 288, dated December 8, 1939, by failing to inform the Division of changes made in the operation of its mine. The Examiner recommended that an order be entered directing code member to cease and desist from violations of said orders of the Division, and from otherwise violating the Act, the Code, and the rules and regulations thereunder.

An opportunity was afforded to all parties to file exceptions and supporting briefs to the said Examiner's report and no such exceptions or supporting briefs have been filed.

The undersigned has considered the record in this matter and has determined that the proposed findings of fact and proposed conclusions of law of the Examiner should be approved and adopted as the findings of fact and conclusions of law of the undersigned.

Now, therefore, it is ordered, That the proposed findings of fact and the proposed conclusions of law of the Examiner be, and they hereby are, approved and adopted as the findings of fact and conclusions of law of the undersigned.

It is further ordered, That Fred Rowell and Audebee Rowell also known as Audibee Rowell, individually and as copartners, doing business under the name and style of Rowell and Rowell, code members, operating the Fred Rowell Mine, located in Marion County, Alabama, their representatives, agents, servants, employees, attorneys, heirs, administrators, successors, or assigns cease and desist, and they are hereby permanently enjoined and restrained from selling or offering to sell, unpriced coal and from violating Order No. 288 of the Division, or from otherwise violating the Bituminous Coal Act, the Code, the Schedule of Effective Minimum Prices for Truck Shipments, the Marketing Rules and Regulations and all appropriate orders of the Division.

It is further ordered, That the Division may upon failure of code members herewith to comply with the order, forthwith apply to the Circuit Court of Appeals of the United States within any circuit wherein code members reside or carry on business for the enforcement thereof, or take any other appropriate action.

Dated: September 3, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-8876; Filed, September 8, 1942; 11:45 a. m.]

DEPARTMENT OF AGRICULTURE.

Agricultural Marketing Administration.

[License No. 50]

DETROIT, MICHIGAN, SALES AREA

ORDER TERMINATING THE LICENSE FOR MILK

The license for milk—Detroit, Michigan, sales area, issued by the Secretary of Agriculture on March 31, 1934, pursuant to the powers vested in him by the terms and provisions of Public Act No. 10, 73d Congress, May 12, 1935 (which license was suspended by the Secretary of Agriculture on December 22, 1937), is hereby terminated, effective as of the date of the execution hereof.

Done at Washington, D. C., this 7th day of September 1942. Witness my hand and the seal of the Department of Agriculture.

[SEAL] THOMAS J. FLAVIN,
Assistant to the Secretary of Agriculture.[1]

[F. R. Doc. 42-8885; Filed, September 8, 1942; 11:42 a. m.]

CIVIL SERVICE COMMISSION.

CONDITION OF APPORTIONMENT AT CLOSE OF BUSINESS MONDAY, AUGUST 31, 1942

Important. The apportioned classified Civil Service includes central offices physically located in Washington, D. C., or elsewhere. Positions in local post offices, customs districts and other field services outside of the District of Columbia which are subject to the Civil Service Act are filled almost wholly by persons who are local residents of the general community in which the vacancies exist. It should be noted and understood that so long as a person occupies, by original appointment, a position in the apportioned service, the charge for his appointment continues to run against his state of original residence. Certifications of eligibles are first made from States which are in arrears.

State	Number of positions to which entitled	Number of positions occupied
IN ARREARS		
1. Virgin Islands	21	0
2. Puerto Rico	1,577	58
3. Hawaii	357	25
4. Alaska	61	13
5. California	5,828	1,750
6. Michigan	4,435	1,750
7. Louisiana	1,994	822
8. Arizona	421	213
9. Texas	5,412	2,926
10. Kentucky	2,401	1,334
11. Georgia	2,636	1,494
12. Alabama	2,390	1,369
13. Ohio	5,828	3,511
14. South Carolina	1,603	1,004
15. Mississippi	1,843	1,181
16. Arkansas	1,645	1,114
17. Nevada	93	67
18. Indiana	2,892	2,086
19. New Jersey	3,510	2,566
20. North Carolina	3,013	2,240
21. Oregon	919	706
22. Illinois	6,663	5,246
23. Washington	1,465	1,169
24. Tennessee	2,460	1,986
25. New Mexico	449	365
26. Connecticut	1,442	1,196
27. Wisconsin	2,647	2,201
28. Idaho	443	376
29. Florida	1,601	1,372
30. Delaware	225	199
31. Rhode Island	602	565
32. Missouri	3,193	3,139
QUOTA FILLED		
33. Vermont	303	303
IN EXCESS		
34. Utah	464	472
35. Pennsylvania	8,353	8,678
36. Massachusetts	3,642	3,860
37. New Hampshire	415	448
38. West Virginia	1,605	1,743
39. Maine	715	787
40. Oklahoma	1,971	2,406
41. Iowa	2,142	2,701
42. Colorado	948	1,223
43. Montana	472	617
44. Minnesota	2,356	3,093
45. Wyoming	212	286
46. New York	11,373	15,560
47. North Dakota	542	792
48. Kansas	1,520	2,239
49. Virginia	2,259	3,902
50. South Dakota	543	994
51. Nebraska	1,110	2,210
52. Maryland	1,537	4,367
53. District of Columbia	559	12,386

Gains	8,080
Losses	2,094
Total appointments	113,110

NOTE: Number of employees occupying apportioned positions who are excluded from the apportionment figures under Sec. 3, Rule VII, and the Attorney General's Opinion of August 25, 1934, 23,259.

By direction of the Commission.

[SEAL] L. A. MOYER,
Executive Director, and Chief Examiner.

[F. R. Doc. 42-8841; Filed, September 7, 1942; 9:34 a. m.]

FEDERAL POWER COMMISSION.

[Docket No. G-411]

UNITED GAS PIPE LINE COMPANY

ORDER FIXING DATE FOR HEARING

SEPTEMBER 4, 1942.

It appearing to the Commission that:

(a) On August 24, 1942, the United Gas Pipe Line Company filed an application for authority to construct and operate a pipe line extension to its existing pipe line system so as to connect with a source of gas supply in the La Fourche Crossing Field in southern Louisiana, as described fully in exhibits attached to the application;[1]

(b) Applicant states that the above-described additional facilities are necessary to meet increased demands for natural gas due to the war effort;

The Commission *orders* that:

A public hearing in this proceeding be held on September 14, 1942, at 9:45 a. m. (E. W. T.), in the hearing room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 42-8812; Filed, September 5, 1942; 10:06 a. m.]

[1] Acting pursuant to authority delegated by the Secretary of Agriculture under the Act of April 4, 1940 (54 Stat. 81; 7 F.R. 2656)

[1] Not filed as part of the original document.

NATIONAL HOUSING AGENCY.

Federal Public Housing Authority.

DEVELOPMENT OF WAR HOUSING

DELEGATION OF CONTRACTING POWERS

SEPTEMBER 4, 1942.

Pursuant to the authority vested in me by section 12 of Executive Order 9070,[1] the following powers, functions, and duties are hereby delegated to directors of FPHA regional and metropolitan area offices, persons acting as such directors and to such other persons as may be designated by the Commissioner as contracting officers, to be exercised with respect to such projects as are assigned to such regional or metropolitan area offices respectively, and in accordance with the policies and procedures heretofore or hereafter established:

1. To act as contracting officer with respect to all matters pertaining to the development of such projects undertaken pursuant to the provisions of of the Lanham Act (Public No. 849, 76th Congress), or the provisions of Public Nos. 9, 73, and 353, 77th Congress, or the provisions of Public No. 671, 76th Congress (as such laws respectively are now or hereafter amended), except that until further notice the acceptance of options to purchase land or the execution of leases for sites shall be referred to the Central Office for acceptance or execution.

2. To select or approve sites for such projects.

3. To grant revocable licenses, permits, and easements, and to execute appropriate instruments therefor, to facilitate the provision of adequate utility services to such projects.

4. To dedicate, and to execute appropriate deeds of conveyances or other instruments therefor, land for streets, alleys, walks, or other means of egress and ingress to such projects.

5. To effectuate, wherever possible, the annexation of project property by political subdivisions if necessary to facilitate the extension of adequate public facilities or services, including utilities, to such property.

Persons exercising the above powers, functions, and duties shall act on behalf of the Commissioner and shall execute contracts in their own names for the Commissioner.

HERBERT EMMERICH,
Commissioner.

[F. R. Doc. 42-8810; Filed, September 5, 1942; 10:06 a. m.]

CONTRACTORS' APPEALS

AUTHORIZATION OF HENRY G. CHAPMAN TO ACT AS REPRESENTATIVE OF COMMISSIONER

SEPTEMBER 4, 1942.

Pursuant to the authority vested in me by section 12 of Executive Order 9070,[1] Mr. Henry G. Chapman is hereby designated as my duly authorized representative to hear, consider and decide all appeals arising out of contracts made by or for the Federal Public Housing Authority in connection with the development of projects where contract provisions state that:

All disputes concerning questions of fact arising under this contract shall be decided by the contracting officer subject to appeal by the contractor within 30 days to the head of the department concerned or his duly authorized representative, whose decision shall be final and conclusive upon the parties thereto.

The operating staffs in the central, regional and field offices when requested shall furnish Mr. Chapman information necessary in the consideration and final determination of such appeals.

HERBERT EMMERICH,
Commissioner.

[F. R. Doc. 42-8811; Filed, September 5, 1942; 10:06 a. m.]

[1] 7 F.R. 1529.

OFFICE OF DEFENSE TRANSPORTATION.

[Special Order O. D. T. B-18]

WILLIAMSPORT, PA.—NEW YORK, N. Y.

MOTOR VEHICLE PASSENGER SERVICE COORDINATION

Order directing coordinated operation of passenger carriers by motor vehicle between Williamsport, Pennsylvania, and New York, New York.

Upon consideration of the application for authority to coordinate motor vehicle service in the transportation of passengers filed with this Office by Edwards Motor Transit Co., Williamsport, Pennsylvania, Jersey Central Transportation Co., New York, New York, and Reading Transportation Company, Philadelphia, Pennsylvania, and in order to assure maximum utilization of the facilities, services, and equipment of common carriers of passengers by motor vehicle, and to conserve and providently utilize vital equipment, material, and supplies, including rubber, the attainment of which purposes is essential to the successful prosecution of the war,

It is hereby ordered, That:

(1) Edwards Motor Transit Co., Jersey Central Transportation Co. and Reading Transportation Company (hereinafter called "carriers"), respectively, in the transportation of passengers on the routes served by them between Williamsport, Pennsylvania, and New York, New York, as common carriers by motor vehicle, shall:

(a) Honor each other's tickets between all points common to their lines where equal fares apply and divert to each other traffic routed between such points for the purpose of relieving overloads and reducing the operation of additional equipment in extra sections;

(b) Adjust and establish schedules to eliminate duplication of times of departure of the respective carriers and provide reasonable frequency of service throughout the day;

(c) Wherever practicable eliminate duplicate depot facilities and commission ticket agencies and, in lieu thereof, utilize joint depot facilities and joint commission ticket agencies. Contracts, agreements, and arrangements for any such joint facilities and agencies shall not extend beyond the effective period of this order. At such depot facilities and commission ticket agencies used jointly by the carriers, service, travel information, and ticket sales shall be impartial, without preference or discrimination for or against either of such carriers.

(2) On the routes served by the carriers between Williamsport, Pennsylvania, and New York, New York, Edwards Motor Transit Co. shall operate a through service of not to exceed four round trips daily, and Jersey Central Transportation Co. and Reading Transportation Company shall operate a joint through service of not to exceed one round trip daily.

(3) The carriers forthwith shall file with the Interstate Commerce Commission, in respect of transportation in interstate or foreign commerce, and with each appropriate State regulatory body, in respect of transportation in intrastate commerce, and publish, in accordance with law, and continue in effect until further order, tariffs or appropriate supplements to filed tariffs, setting forth any changes in the fares, charges, operations, rules, regulations, and practices of each carrier which may be necessary to accord with the provisions of this order; and forthwith shall apply to said Commission, and each such regulatory body for special permission for such tariffs or supplements, to become effective on one day's notice.

This order shall become effective September 15, 1942, and shall remain in full force and effect until further order of this Office.

Issued at Washington, D. C., this 8th day of September 1942.

JOSEPH B. EASTMAN,
Director of Defense Transportation.

[F. R. Doc. 42-8887; Filed, September 8, 1942; 12:01 p. m.]

[Special Order O. D. T. B-19]

ST. LOUIS, MO.—CERTAIN POINTS IN SOUTHERN ILLINOIS

MOTOR VEHICLE PASSENGER SERVICE COORDINATION

Order directing coordinated operation of passenger carriers by motor vehicle between St. Louis, Missouri, and certain points in Southern Illinois.

Upon consideration of the application for authority to coordinate motor vehicle service in the transportation of passengers filed with this Office by Gulf Transport Company, Mobile, Alabama, and Belleville-St. Louis Coach Co., Belleville, Illinois, and in order to assure maximum utilization of the facilities, services, and equipment of common carriers of passengers by motor vehicle, and to conserve and providently utilize vital equipment, material and supplies, including rubber, the attainment of which purposes

is essential to the successful prosecution of the war,

It is hereby ordered, That:

(1) Gulf Transport Company and Belleville-St. Louis Coach Co. (hereinafter called "carriers"), respectively, in the transportation of passengers on the routes served by them between St. Louis, Missouri, and Cutler, Percy and Chester, Illinois, as common carriers by motor vehicle, shall:

(a) Honor each other's tickets between all points common to their lines where equal fares apply and divert to each other traffic routed between such points for the purpose of relieving overloads and reducing the operation of additional equipment in extra sections;

(b) Adjust and establish schedules to eliminate duplication of times of departure of the respective carriers and provide reasonable frequency of service throughout the day;

(c) Wherever practicable eliminate duplicate depot facilities and commission ticket agencies and, in lieu thereof, utilize joint depot facilities and joint commission ticket agencies. Contracts, agreements, and arrangements for any such joint facilities and agencies shall not extend beyond the effective period of this order. At such depot facilities and commission ticket agencies used jointly by the carriers, service, travel information, and ticket sales shall be impartial, without preference or discrimination for or against either of such carriers.

(2) Belleville-St. Louis Coach Co. shall suspend service over its route between Chester, Illinois, and the junction of Illinois Highways Nos. 150 and 43 at Steeleville Y and forthwith shall file with the Interstate Commerce Commission and the appropriate State regulatory body a notice describing the operations to be suspended in compliance herewith.

(3) Belleville-St. Louis Coach Co. shall operate a through service of not to exceed two round trips daily between St. Louis, Missouri and Cutler, Illinois, and, in addition thereto, not to exceed one round trip daily between St. Louis, Missouri and Sparta, Illinois.

(4) Gulf Transport Company shall operate a through service of not to exceed two round trips daily between St. Louis, Missouri and Murphysboro, Illinois, one of which, subject to obtaining prior approval of the appropriate regulatory authority or authorities, shall be routed over the route described in paragraph 2. In addition thereto, it shall operate a through service of not to exceed two round trips daily between St. Louis, Missouri and Chester, Illinois.

(5) The carriers forthwith shall file with the Interstate Commerce Commission in respect of transportation in interstate or foreign commerce, and with the Illinois Commerce Commission in respect of transportation in intrastate commerce, and publish in accordance with law, and continue in effect until further order, tariffs or appropriate supplements to filed tariffs, setting forth any changes in the fares, charges, operations, rules, regulations, and practices of each carrier which may be necessary to accord with the provisions of this order, together with a copy of this order; and forthwith shall apply to said Commissions for special permission for such tariffs or supplements to become effective on one day's notice.

This order shall become effective October 1, 1942, and shall remain in full force and effect until further order of this Office.

Issued at Washington, D. C., this 8th day of September 1942.

JOSEPH B. EASTMAN,
Director of Defense Transportation.

[F. R. Doc. 42-8888; Filed, September 8, 1942; 12:01 p. m.]

[Special Order O.D.T. B-20]

EL PASO, TEXAS—DEMING, N. MEX.

MOTOR VEHICLE PASSENGER SERVICE COORDINATION

Order directing coordinated operation of passenger carriers by motor vehicle between El Paso, Texas, and Deming, New Mexico.

Upon consideration of the application for authority to coordinate motor vehicle service in the transportation of passengers filed with this Office by Pacific Greyhound Lines, San Francisco, California, and Parrish Stage Lines, Silver City, New Mexico, and in order to assure maximum utilization of the facilities, services, and equipment of common carriers of passengers by motor vehicle, and to conserve and providently utilize vital equipment, material, and supplies, including rubber, the attainment of which purposes is essential to the successful prosecution of the war:

It is hereby ordered, That:

(1) Pacific Greyhound Lines and Parrish Stage Lines, (hereinafter called "carriers"), respectively, in the transportation of passengers on the routes served by them between El Paso, Texas, and Deming, New Mexico, as common carriers by motor vehicle, shall:

(a) Honor each other's tickets between all points common to their lines where equal fares apply and divert to each other traffic routed between such points for the purpose of relieving overloads and reducing the operation of additional equipment in extra sections:

(b) Wherever practicable eliminate duplicate depot facilities and commission ticket agencies, and in lieu thereof, utilize joint depot facilities and joint commission ticket agencies. Contracts, agreements, and arrangements for any such joint facilities and agencies shall not extend beyond the effective period of this order. At such depot facilities and commission ticket agencies used jointly by the carriers, service, travel information, and ticket sales shall be impartial, without preference or discrimination for or against either of such carriers.

(2) Between El Paso, Texas, and Deming, New Mexico, Pacific Greyhound Lines shall operate a through service of not to exceed five round trips daily and Parrish Stage Lines shall operate a through service of not to exceed two round trips daily.

(3) The carriers forthwith shall file with the Interstate Commerce Commission in respect of transportation in interstate or foreign commerce, and with each appropriate State regulatory body in respect of transportation in intrastate commerce, and publish in accordance with law, and continue in effect until further order, tariffs or appropriate supplements, to filed tariffs, setting forth any changes in the fares, charges, operations, rules, regulations, and practices of each carrier which may be necessary to accord with the provisions of this order together with a copy of this order; and forthwith shall apply to said Commission and each such regulatory body for special permission for such tariffs or supplements to become effective on one day's notice.

This order shall become effective September 15, 1942, and shall remain in full force and effect until further order of this Office.

Issued at Washington, D. C., this 8th day of September 1942.

JOSEPH B. EASTMAN,
Director of Defense Transportation.

[F. R. Doc. 42-8889; Filed, September 8, 1942; 12:01 p. m.]

[Special Order O. D. T. B-21]

CHICAGO, ILL.—COLUMBUS, OHIO

MOTOR VEHICLE PASSENGER SERVICE COORDINATION

Order directing coordinated operation of passenger carriers by motor vehicle between Chicago, Illinois, and Columbus, Ohio.

Upon consideration of the application for authority to coordinate motor vehicle service in the transportation of passengers filed with this Office by Empire Trails, Inc., Chicago, Illinois, Pennsylvania Greyhound Lines, Inc., Cleveland, Ohio, and Great Lakes Greyhound Lines, Inc. of Indiana, Detroit, Michigan, and in order to assure maximum utilization of the facilities, services, and equipment of common carriers of passengers by motor vehicle, and to conserve and providently utilize vital equipment, material, and supplies, including rubber, the attainment of which purposes is essential to the successful prosecution of the war,

It is hereby ordered, That:

(1) Empire Trails, Inc., Pennsylvania Greyhound Lines, Inc. and Great Lakes Greyhound Lines, Inc. (hereinafter called "carriers"), respectively, in the transportation of passengers on the routes served by them between Chicago, Illinois, and Columbus, Ohio, as common carriers by motor vehicle, shall:

(a) Honor each other's tickets between all points common to their lines where equal fares apply and divert to each other traffic routed between such points for the purpose of relieving overloads and reducing the operation of additional equipment in extra sections;

(b) Wherever practicable eliminate duplicate depot facilities and commission ticket agencies and, in lieu thereof, utilize joint depot facilities and joint commission ticket agencies. Contracts, agreements, and arrangements for any such joint facilities and agencies shall not extend beyond the effective period of this Order. At such depot facilities and commission ticket agencies used jointly by the carriers, service, travel information, and ticket sales shall be impartial, without preference or discrimination for or against either of such carriers.

(2) On the routes served by the carriers between Chicago, Illinois, and Columbus, Ohio, Empire Trails, Inc. shall operate a through service of not to exceed one round trip daily, and Pennsylvania Greyhound Lines, Inc. and Great Lakes Greyhound Lines, Inc. shall operate a joint through service of not to exceed three round trips daily.

(3) The carriers forthwith shall file with the Interstate Commerce Commission, in respect of transportation in interstate or foreign commerce, and with each appropriate State regulatory body, in respect of transportation in intrastate commerce, and publish, in accordance with law, and continue in effect until further order, tariffs or appropriate supplements to filed tariffs, setting forth any changes in the fares, charges, operations, rules, regulations, and practices of each carrier which may be necessary to accord with the provisions of the order; and forthwith shall apply to said Commission, and each such regulatory body for special permission for such tariffs or supplements, to become effective on one day's notice.

This order shall become effective September 15, 1942, and shall remain in full force and effect until further order of this office.

Issued at Washington, D. C., this 8th day of September 1942.

JOSEPH B. EASTMAN,
Director of Defense Transportation.

[F. R. Doc. 42-8890; Filed September 8, 1942; 12:02 p. m.]

OFFICE OF PRICE ADMINISTRATION.

[Order 39 Under Maximum Price Regulation 120 [1]—Bituminous Coal Delivered From Mine or Preparation Plant—Docket 3120-108]

DUNEDIN COAL COMPANY, INCORPORATED

ORDER GRANTING ADJUSTMENT

For the reasons set forth in an opinion issued simultaneously herewith and pursuant to the authority vested in the Administrator by the Emergency Price Control Act of 1942 and Procedural Regulation No. 1,[2] *it is ordered:*

(a) Dunedin Coal Company, Incorporated, Staunton, Virginia, may sell and deliver, and any person may buy and receive the sizes of bituminous coal set forth in paragraph (b) below at prices not in excess of those stated therein;

(b) Coals produced at Dunedin Mine (Mine Index No. 59), District No. 7, by Dunedin Coal Company, Incorporated, in Size Groups 7, 8, 9 and 10 may be sold at prices not to exceed $3.25, $3.00, $3.00 and $2.75 per net ton, respectively, f. o. b. the mine for all shipments except by truck or wagon;

(c) This Order No. 39 may be revoked or amended by the Administrator at any time;

(d) All prayers of the petition not granted herein are denied;

(e) Unless the context otherwise requires, the definitions set forth in § 1340.208 of Maximum Price Regulation No. 120 shall apply to terms herein;

(f) This Order No. 39 shall become effective September 8, 1942.

Issued this 5th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8835; Filed, September 7, 1942; 9:19 a. m.]

[Order 40 Under Maximum Price Regulation 120 [1]—Bituminous Coal Delivered From Mine or Preparation Plant—Docket 3120-118]

EUREKA COAL COMPANY

ORDER GRANTING ADJUSTMENT

On June 24, 1942, the Eureka Coal Company, Grafton, West Virginia, filed a petition for adjustment or exception pursuant to § 1340.207 (a) of Maximum Price Regulation No. 120. Due consideration has been given to the petition and an Opinion in support of this Order No. 40 has been issued simultaneously herewith and has been filed with the Division of the Federal Register. For the reasons set forth in the opinion, under the authority vested in the Administrator by the Emergency Price Control Act of 1942 and in accordance with the Procedural Regulation No. 1,[2] issued by the Office of Price Administration, *it is hereby ordered:*

(a) The Eureka Coal Company may sell and deliver, and agree, solicit and attempt to sell and deliver, for shipment by rail, the bituminous coal described in paragraph (b) at prices not in excess of those stated therein. Any person may buy and receive, and agree, offer, solicit, and attempt to buy and receive such bituminous coal, so shipped, at such prices from the Eureka Coal Company.

(b) Coals in Size Group 6 produced by the Eureka Coal Company at its Starford No. 1 Mine (Mine Index No. 184), located in Preston County, West Virginia, District No. 3, may be sold at prices not to exceed $2.45 per net ton f. o. b. the mine, for shipment by rail;

Provided, That on and after the date of the petition, June 24, 1942, petitioner may enter into agreements to adjust prices, in accordance with the disposition of the petition, on deliveries of such coals in Size Group 6 made subsequent to June 24, 1942.

(c) This Order No. 40 may be revoked or amended by the Administrator at any time.

(d) All prayers of the petition not granted herein are denied.

(e) Unless the context otherwise requires, the definitions set forth in § 1340.208 of Maximum Price Regulation No. 120 shall apply to terms used herein.

(f) This Order No. 40 shall become effective September 8, 1942.

Issued this 5th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8836; Filed, September 7, 1942; 9:19 a. m.]

[Order 13 Under Maximum Price Regulation 122 [3]—Solid Fuels Delivered From Facilities Other Than Producing Facilities—Dealers—Docket 3122-92]

COOK AND BROWN LIME COMPANY

ORDER GRANTING ADJUSTMENT

For the reasons set forth in an opinion which has been issued simultaneously herewith and pursuant to the authority vested in the Administrator by the Emergency Price Control Act of 1942 and Procedural Regulation No. 1,[2] *it is ordered:*

(a) Cook and Brown Lime Company, Oshkosh, Wisconsin, may sell and deliver to the Oshkosh Wisconsin Plant of Wisconsin Public Service Corporation, and Wisconsin Public Service Corporation may buy and receive the kind and size of solid fuel set forth in paragraph (b) below at a price not in excess of that stated therein;

(b) The maximum price for the sale of dock run egg size bituminous coal by Cook and Brown Lime Company shall be the maximum price determined in accordance with § 1340.261 (c) of Maximum Price Regulation No. 122, plus not more than 28 cents per net ton; *Provided,* That in the event of a decrease, or decreases, in the delivered costs to Wisconsin Public Service Corporation of such bituminous coal below $5.98 per net ton f. o. b. barge of Cook and Brown Lime Company at Green Bay, Wisconsin, then the maximum price set forth in this paragraph shall be reduced accordingly for applications to sales of such bituminous coal purchased by it at such decreased prices;

(c) This Order No. 13 may be revoked or amended by the Administrator at any time;

(d) Unless the context otherwise requires, the definitions set forth in § 1340.258 of Maximum Price Regulation No. 122 shall apply to terms used herein;

(e) This Order No. 13 shall become effective September 8, 1942.

Issued this 5th day September, 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8837; Filed September 7, 1942; 9:19 a. m.]

[1] 7 F.R. 3168, 3447, 3901, 4336, 4342, 4404, 4540, 4541, 4700, 5059, 5560, 5607, 5827, 5835, 6169, 6218, 6265, 6272, 6472, 6325, 6524.

[2] 7 F.R. 971, 3663.

[3] 7 F.R. 3239, 3666, 3856, 3940, 3941, 5024, 5567.

[Order 14 Under Maximum Price Regulation 122 [1]—Solid Fuels Delivered From Facilities Other Than Producing Facilities—Dealers—Dockets 3122-164, -166, -167, -169 and -170]

NEWARK COAL CO., ET AL.

ORDER GRANTING ADJUSTMENT

Order granting adjustment to Newark Coal Company; Samuel Truppo, doing business as Vailsburg Ice and Coal Company; Joseph Crescenzi, doing business as C & I Coal Company, and S. Smith Coal and Oil Company.

On July 30, 1942, the Division of Central Purchase of the City of Newark, New Jersey, filed a petition (Docket No. 3122–164) requesting an adjustment of the maximum prices established by Maximum Price Regulation No. 122 for sales of solid fuel by Newark Coal Company, of Newark, Vailsburg Ice and Coal Company, of South Orange, S. Smith Coal and Oil Company, of Newark, and C & I Coal Company, of Newark, to permit said companies to deliver certain coals pursuant to contracts awarded by the Board of City Commissioners of the City of Newark at prices specified in such contracts. Subsequently, on July 31, 1942, Newark Coal Company filed a petition (Docket No. 3122–166) for such relief in its own behalf as to the contracts in which it is interested. Samuel Truppo, doing business as Vailsburg Ice and Coal Company, and Joseph Crescenzi, doing business as C & I Coal Company, filed similar petitions on August 1, 1942 (Docket Nos. 3122–167 and -168, respectively). S. Smith Coal and Oil Company filed such a petition (Docket No. 3122–170) on August 3, 1942.

Due consideration has been given to said petitions and an opinion in support of this Order No. 14 has been issued simultaneously herewith and has been filed with the Division of the Federal Register. For the reasons set forth in the opinion and pursuant to the authority vested in the Administrator by the Emergency Price Control Act of 1942 and Procedural Regulation No. 1,[2] *it is ordered:*

(a) Newark Coal Company; Samuel Truppo, doing business as Vailsburg Ice and Coal Company; Joseph Crescenzi, doing business as C & I Coal Company; and S. Smith Coal and Oil Company may sell and deliver, and the City of Newark, New Jersey, may buy and receive the kinds of anthracite coal set forth in the subparagraph of paragraph (b) below applicable to each company, at prices not in excess of those stated therein pursuant to contracts awarded by the Board of City Commissioners of Newark New Jersey;

(b) (1) *Newark Coal Company.* Buckwheat #1 coal may be sold at prices not to exceed $7.16 per net ton for truck delivery within the city limits of Newark. Stove coal may be sold at prices not to exceed $10.64 per net ton for truck delivery within the city limits of Newark. Nut coal may be sold at prices not to exceed $10.64 per net ton for truck delivery within the city limits of Newark;

(2) *Samuel Truppo, doing business as Vailsburg Ice and Coal Company.* Buckwheat #1 coal may be sold at prices not to exceed $7.20 per net ton for truck delivery at Ivy Hill Power Plant.

(3) *Joseph Crescenzi, doing business as C & I Coal Company.* Buckwheat #2 coal may be sold at prices not to exceed $6.18 per net ton for truck delivery within the city limits of Newark;

(4) *S. Smith Coal and Oil Company.* Buckwheat #2 coal may be sold at prices not to exceed $5.87 per net ton for truck delivery at City Hospital. Pea coal may be sold at prices not to exceed $8.27 per net ton for truck delivery within the city limits of Newark. Egg coal may be sold at prices not to exceed $9.97 per net ton for truck delivery within the city limits of Newark;

(c) This Order No. 14 may be revoked or amended by the Administrator at any time;

(d) All prayers of the petition not granted herein are denied;

(e) Unless the context otherwise requires, the definitions set forth in § 1340.258 of Maximum Price Regulation No. 122 shall apply to the terms used herein;

(f) This Order No. 14 shall become effective September 8, 1942.

Issued this 5th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8838; Filed, September 7, 1942; 9:19 a. m.]

[Order 1 Under Maximum Price Regulation 193 [1]—Domestic Distilled Spirits]

FRANKFORT DISTILLERIES, INC.

APPROVAL OF MAXIMUM PRICES

Approval of maximum prices for sales of Four Roses 86° proof and Paul Jones 86° proof, blends of straight whiskey by Frankfort Distilleries, Inc. in the State of New York.

For the reasons set forth in an opinion issued simultaneously herewith, and pursuant to the authority vested in the Price Administrator by the Emergency Price Control Act of 1942 *it is ordered:*

(a) On and after September 8, 1942 the maximum prices in the State of New York for the sale by Frankfort Distilleries Incorporated, having its principal place of business in Louisville, Kentucky, of Four Roses 86° proof and Paul Jones 86° proof blends of straight whiskey, shall be those hereinafter set forth:

(1) Four Roses 86° proof blend of straight whiskey (delivered N. Y. State points):

Per case of 24 pints	$27.67
Per case of 12 fifths	21.71
Per case of 12 quarts	27.17

(2) Paul Jones 86° proof blend of straight whiskey (F. O. B. Baltimore, Md.):

Per case of 24 pints	$20.34
Per case of 12 fifths	16.10
Per case of 12 quarts	19.84

(b) The discounts allowable for time of payment of the maximum prices prescribed in paragraph (a) shall be one percent for payment within ten (10) days from date of shipment.

(c) Frankfort Distilleries, Inc., shall mail or cause to be mailed to all purchasers from said company of Four Roses 86° proof and Paul Jones 86° proof, blends of straight whiskey for which maximum prices are established in this order, written notice of the method to determine the maximum prices for such products together with an explanation of the method to determine maximum prices for sales at retail of such products in the state of New York.

(d) All suppliers of such products to sellers at retail in the state of New York shall mail or cause to be mailed to all such sellers an explanation of the method to be used to determine maximum prices for sales at retail of such distilled spirits as set forth in this paragraph. To determine the maximum prices, sellers at wholesale and at retail shall deduct the amounts given below in this paragraph for the corresponding brands and sizes from the maximum prices determined in accordance with § 1420.13 Appendix A of Maximum Price Regulation No. 193, Domestic Distilled Spirits, for Four Roses 90° proof and Paul Jones 90° proof blends of straight whiskey.

(1) For Four Roses 86° proof deduct from the maximum prices established under Maximum Price Regulation No. 193 for Four Roses 90° proof:

	Per case (cents)	*Per bottle (cents)*
Case of 24 pints	49	2 1/24
Case of 12 fifths	39	3 1/4
Case of 12 quarts	49	4 1/12

(2) For Paul Jones 86° proof deduct from the maximum prices established under Maximum Price Regulation No. 193 for Paul Jones 90° proof:

	Per case (cents)	*Per bottle (cents)*
Case of 24 pints	19	19/24
Case of 12 fifths	15	1 1/4
Case of 12 quarts	19	1 9/12

If the result is a fractional cent price and the fraction of a cent is less than one-half of a cent, the price shall be lowered to the next lower cent. If the fraction is one-half of a cent or larger, the retailer is permitted to increase his maximum price to the next higher cent.

(e) This Order No. 1 may be revoked or amended by the Price Administrator at any time.

(f) This Order No. 1 shall become effective as of September 8, 1942 (Pub. Law 421, 77th Cong.)

Issued this 5th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8834; Filed, September 7, 1942; 9:17 a. m.]

[Order No. 1 Under Maximum Price Regulation 204 [1]—Idle or Frozen Materials Sold Under Priorities Regulation No. 13 [2]]

ROYAL SWEDISH MINT

EXCEPTION GRANTED

For the reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register and under the authority vested in the Price Administrator by the Emer-

[1] 7 F.R. 3239, 3666, 3856, 3940, 3941, 5024, 5567.

[2] 7 F.R. 971, 3663.

[1] 7 F.R. 6006.

[1] 7 F.R. 6479.

[2] 7 F.R. 5167, 5604.

gency Price Control Act of 1942 and § 1499.510 of Maximum Price Regulation No. 204—Idle or Frozen Materials Sold Under Priorities Regulation No. 13, *it is hereby ordered:*

(a) The Royal Swedish Mint, a Swedish Government agency, may sell and deliver and Handy & Harman, 82 Fulton Street, New York, New York, may buy and receive approximately 500,000 ounces of silver in 1,000 ounce bars 0.999 fine at 36.85¢ per troy ounce f. o. b. New York.

(b) This Order No. 1 may be revoked or amended by the Price Administrator at any time.

(c) This Order No. 1 shall become effective on September 8, 1942.

Issued this 5th day of September 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-8833; Filed, September 7, 1942; 9:17 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

[File No. 70-568]

EDISON SAULT ELECTRIC COMPANY

MEMORANDUM OPINION AND ORDER GRANTING EXEMPTION

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 2d day of September A. D. 1942.

Edison Sault Electric Company, a subsidiary company of American States Utilities Corporation, a registered holding company, has filed applications and amendments thereto, pursuant to section 6 (b) of the Public Utility Holding Company Act of 1935 and Rule U-50 of the rules and regulations promulgated thereunder, for an exemption from the provisions of section 6 (a) of the Act of the issue and private sale to certain insurance companies of $990,000 principal amount of first mortgage bonds, 3¾%, due 1972, at 104 or an aggregate consideration of $1,029,600, and 3% notes in the total principal amount of $100,000, and for an exemption from the competitive bidding requirements of paragraphs (b) and (c) of Rule U-50 of the proposed issue and sale of the bonds. The company has requested that its application for exemption from Rule U-50 be acted upon prior to its applications for exemption from section 6 (a).

After appropriate public notice, a hearing was held upon the applications. We have examined the record and make the following findings with respect to the application for exemption from Rule U-50.

Subsection (a) (4) of Rule U-50 expressly exempts from the competitive bidding requirements of the rule issuances and sales in which the total proceeds to be received by the issuer will not exceed $1,000,000. The subject issuance and sale would, therefore, require no action on our part in this respect were it not for the fact that the premium to be received brings the total proceeds $29,600 above the mentioned limit.

Under the circumstances we find that compliance with paragraphs (b) and (c) of Rule U-50 is not appropriate in the public interest or for the protection of investors or consumers as a condition to the exemption, if such is granted, of the issuance and sale of the bonds from the provisions of section 6 (a), or to aid us in determining any other terms and conditions which it may be appropriate to impose in the public interest or for the protection of investors or consumers in connection with any such latter exemption.

It is therefore ordered, That said issue and sale be and the same hereby are exempted from the provisions of Rule U-50.

It is further ordered, That jurisdiction be and hereby is reserved for consideration of all matters in these proceedings not hereby determined.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 42-8803; Filed, September 4, 1942; 2:28 p. m.]

[File No. 70-584]

NORTH BOSTON LIGHTING PROPERTIES, ET AL.

ORDER GRANTING APPLICATIONS AND PERMITTING DECLARATIONS TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 29th day of August, 1942.

In the matter of North Boston Lighting Properties, New England Power Association, Beverly Gas and Electric Company, Gloucester Electric Company, Haverhill Electric Company, Salem Gas Light Company and Suburban Gas and Electric Company.

North Boston Lighting Properties, five of its subsidiary companies, namely, Beverly Gas and Electric Company, Gloucester Electric Company, Haverhill Electric Company, Salem Gas Light Company and Suburban Gas and Electric Company, and New England Power Association, a registered holding company and a parent company of North Boston Lighting Properties have filed applications and declarations and amendments thereto pursuant to sections 7 and 10 of the Public Utility Holding Company Act of 1935 and Rules U-42, U-43 and U-44 thereunder with respect to the borrowing by North Boston Lighting Properties of $13,000,000 from the following banks in the following amounts: The First National Bank of Boston—$6,000,000, The Chase National Bank of the City of New York—$4,500,000, Chemical Bank and Trust Company—$1,250,000 and Guaranty Trust Company of New York—$1,250,000, said borrowings to be evidenced by a single promissory note to each bank, each note bearing interest at the rate of 2½ per cent per annum payable semi-annually and maturing October 1, 1947 and to be secured under a joint bank credit letter agreement by the pledge of all common stocks of subsidiary utility companies held by North Boston Lighting Properties and by the notes of subsidiary utility companies proposed to be issued herein. The proceeds of the proposed borrowings, together with other funds, will be used to retire presently outstanding secured notes of North Boston Lighting Properties in the principal amount of $13,000,000 bearing interest at the rate of 3½ per cent per annum. With respect to Beverly Gas and Electric Company, Gloucester Electric Company, Haverhill Electric Company, Salem Gas Light Company and Suburban Gas and Electric Company the applications and declarations relate to the issue by such companies to North Boston Lighting Properties of unsecured notes in the following amounts, respectively, $700,000, $320,000, $1,089,375, $485,000 and $785,000, said notes to mature in ten months, to bear interest at the rate of 3 per cent per annum and to be issued in substitution for certain presently outstanding notes and advances owing by such companies to North Boston Lighting Properties.

A public hearing having been held after appropriate notice, the Commission having considered the record, and having filed its Findings and Opinion herein.

It is ordered, That said applications, as amended, be, and they hereby are, granted forthwith and that said declarations, as amended, be, and they hereby are, permitted to become effective forthwith, subject, however, to the terms and conditions set forth in Rule U-24 and to the additional condition that without further order of this Commission North Boston Lighting Properties shall not, so long as any portion of the proposed $13,000,000 secured notes remain outstanding, cause or permit Beverly Gas and Electric Company, Eastern Massachusetts Electric Company, Gloucester Electric Company, Haverhill Electric Company, Malden Electric Company, Malden and Melrose Gas Light Company, Salem Electric Lighting Company, Salem Gas Light Company and Suburban Gas and Electric Company, or any of them, to declare any dividends except upon fifteen (15) days prior written notice to this Commission of the proposed amount of dividends to be declared by the respective companies.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 42-8801; Filed, September 4, 1942; 2:28 p. m.]

[File No. 59-54]

KEWANEE PUBLIC SERVICE CO.

NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission held at its office in the City of Philadelphia, Pa., on the 3d day of September A. D. 1942.

In the matter of Kewanee Public Service Company, respondent.

The Commission having examined the corporate structure of Kewanee Public Service Company, a public utility company, the distribution of voting power among the security holders of such company, and the method of said company in keeping its accounts and records, and it appearing to the Commission on the basis of such examinations that there are reasonable grounds for believing:

(1) That Kewanee Public Service Company, a public utility company, has outstanding First Mortgage Bonds due July 1, 1949 in the principal amount of $883,300; an overdue note held by North American Light & Power Company in the principal amount of $210,000 and bearing interest at 5½%; 7,000 shares of

7% preferred stock, par value $50 per share in the aggregate amount of $350,000 on which there were arrears of $32.66⅔ per share in the aggregate amount of $228,667 as of April 30, 1942 and 10,000 shares of common stock without par value but with a stated value in the aggregate amount of $500,000.

(2) That all of the common stock of Kewanee Public Service Company is owned by Illinois Traction Company, a registered holding company and a subsidiary of North American Light & Power Company, also a registered holding company and in turn a subsidiary of The North American Company.

(3) That Illinois Traction Company is the owner of 1,496 shares of the 7% preferred stock above mentioned and that the remaining 5,504 shares of said preferred stock are publicly held.

(4) That the assets and physical properties of Kewanee Public Service Company as of April 30, 1942 were carried on the books of said company at a stated net value of $1,873,097; that the said net carrying value of $1,873,097 includes not less than $710,000 of intangibles and plant not used or useful.

(5) That the past due note held by North American Light & Power Company was executed in 1935 and received by it in consideration of the cancellation of an open account indebtedness; that said note was originally in the amount of $360,000 but as of December 31, 1941 had been reduced to $210,000; that in the years 1928, 1929 and 1930 while dividends were purportedly declared and paid on the common stock of Kewanee aggregating $170,000 the open account indebtedness increased by $430,369.

(6) That for the years 1932–1941 inclusive, the net income, earned surplus, dividends, amounts due affiliates, and depreciation accruals were reported to be as follows:

Year	Net income per books	Earned surplus, end of year	Preferred stock dividends	Due affiliates end of year		Depreciation accruals
				Open account	Note	
1932	$17,564	$17,060	$24,500	$534,488		$45,031
1933	(45,168)	[1] (105,305)		470,000		67,678
1934	(30,819)	(104,813)		415,000		74,750
1935	(14,365)	(105,132)			$360,000	79,034
1936	(5,300)	(122,537)			360,000	74,025
1937	15,511	(106,625)			335,000	84,188
1938	12,253	(88,322)			310,000	75,796
1939	9,313	(69,010)			260,000	84,855
1940	4,996	(63,334)			210,000	87,945
1941	2,863	(64,044)			210,000	87,606

[1] Includes $86,152 loss on street railway properties.

As may be seen by the above table the common stock of Kewanee Public Service Company has had no equity in the earnings of the company and no dividends have been paid on the preferred stock for the past nine years.

(7) That all the voting power of Kewanee Public Service Company is vested in the common stock of said company and that the assets and earnings of said company are insufficient to provide any equity for said common stock, as is indicated by the following table:

Total net assets per books [1]		$1,873,097
Plant not used or useful (not less than)		290,000
Balance		1,583,097
Bonded indebtedness	$883,300	
Past due note payable to NALPCO	210,000	
Total preferred and arrears	578,667	1,671,967
Balance applicable to common		(88,870)

[1] Includes not less than $420,000 of intangibles.

(8) That the corporate structure of Kewanee unfairly and inequitably distributes voting power among the security holders thereof.

(9) That the books of account of Kewanee Public Service Company do not properly reflect or disclose the assets, properties or financial condition of the Kewanee Public Service Company.

It, therefore, appearing to the Commission on the basis of its examinations as aforesaid that proceedings should be instituted and hearings held under sections 11 (b) (2), 12 (c), 12 (f), 15 (f) and 20 (a) of said Act with respect to Kewanee Public Service Company to determine what steps, if any, are necessary and should be required to be taken by said company in order to comply with the said provisions of said Act;

It is ordered, That Kewanee Public Service Company is hereby made respondent in these proceedings and that said respondent shall file with the Secretary of the Commission on or before September 19, 1942 an answer in the form prescribed in Rule U-25 to the allegations of paragraphs numbered 1–9 inclusive thereof;

It is further ordered, That a hearing be held on the proceedings herein instituted on the 23d day of September, 1942 at 10 A. M., E. W. T., at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania, in such room as may be designated on that day by the hearing room clerk in Room 318;

It is further ordered, That William W. Swift or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a Trial Examiner under the Commission's Rules of Practice.

It is further ordered, That the Secretary of the Commission shall serve notice of the hearing aforesaid by mailing a copy of this order by registered mail to Kewanee Public Service Company, Illinois Iowa Power Company, Illinois Traction Company and North American Light & Power Company not less than 15 days prior to the date hereinbefore fixed as the date for said hearing; and that notice of said hearing is hereby given to all security holders of said companies, to all consumers of said Respondent, to the State of Illinois and to all municipalities and political subdivisions of the State of Illinois within which are located any of the utility assets of Respondent, and to the Illinois Commerce Commission, that such notice be given by a general release of the Commission distributed to the press and mailed to the mailing list for releases issued under the Public Utility Holding Company Act of 1935 and by publication of this order in the FEDERAL REGISTER not later than 15 days prior to the date hereinbefore fixed as the date of the hearing;

It is further ordered, That any persons desiring to be heard in connection with these proceedings shall file with the Secretary of the Commission on or before the 19th day of September, 1942, a written statement relative thereto; that any person proposing to intervene shall file with the Secretary of the Commission on or before the 19th day of September, 1942 his application therefor as provided by Rule XVII of the Rules of Practice of the Commission;

It is further ordered, That without limiting the scope of the issues presented by the proceedings hereby instituted that evidence having particular bearing on the following matters will be adduced:

(1) Whether the allegations in paragraphs 1 to 9 inclusive hereof are true and accurate;

(2) What steps, if any, are necessary and should be required to be taken by Kewanee Public Service Company to insure a fair and equitable distribution of voting power among its security holders;

(3) Whether recapitalization of Kewanee Public Service Company is necessary in order to distribute voting power fairly and equitably among its security holders, and if so what form such recapitalization should take;

(4) What treatment should be accorded the past due note owned by North American Light & Power Company and preferred stock owned by Illinois Traction Company in any such recapitalization;

(5) What steps, if any, are necessary and should be required to be taken by Kewanee Public Service Company to insure that the books, records and accounts of Kewanee Public Service Company accurately and truly reflect the financial condition, property and assets of Kewanee Public Service Company;

(6) What adjustments and charges should be required on the balance sheet of Kewanee Public Service Company;

It is further ordered, That jurisdiction be and it is hereby reserved to separate, either for hearing in whole or in part or for disposition in whole or in part any of the issues or questions which may arise in this proceeding and to take such other action which may appear conducive to an orderly, prompt and economical disposition of the matters involved.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 42-8802; Filed, September 4, 1942; 2:28 p. m.]

[File No. 70-596]

THE PUEBLO GAS AND FUEL COMPANY AND CITIES SERVICE POWER & LIGHT COMPANY

NOTICE OF FILING AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 1st day of September A. D. 1942.

Notice is hereby given that declarations or applications (or both) have been filed with this Commission by The Pueblo Gas and Fuel Company and Cities Service Power & Light Company pursuant to the Public Utility Holding Company Act of 1935 and particularly sections 6, 7, 9, 10, and 12 thereof. All interested persons are referred to said declarations or applications which are on file in the office of said Commission for a statement of the transactions therein proposed, which are summarized as follows:

The Pueblo Gas and Fuel Company (hereinafter referred to as "Pueblo") has outstanding 3,000 shares of common stock of the par value of $100 per share out of an authorized issue of 10,000 shares; and 4,023 shares of preferred stock of the par value of $100 per share. All of such outstanding common and preferred stock is owned by Fred Witsell, president of Pueblo. There are also outstanding under an indenture of Pueblo to Manufacturers Trust Company (successor trustee) dated September 1, 1922, $637,600 principal amount of the company's Series A 5% First Mortgage Sinking Fund Gold Bonds which mature on September 1, 1942. Of these outstanding bonds $290,080 principal amount thereof are publicly owned; $315,520 principal amount thereof are owned by Cities Service Power & Light Company (hereinafter referred to as "Power & Light") and $32,000 principal amount are owned by Cities Service Company. Pueblo is also indebted to Power & Light in the amount of $1,227,408.15, of which $1,227,000 is represented by a non-interest bearing note and $408.15 is represented by open account indebtedness.

The companies propose to effect the following transactions:

1. Power & Light proposes to purchase all outstanding shares of common and preferred stocks of Pueblo for a total consideration of $1,000.

2. Pueblo proposes to issue to Power & Light, and Power & Light proposes to acquire 3,155.2 shares of the common stock of Pueblo with a par value of $315,520 in full satisfaction and discharge of an equal principal amount of Pueblo's First Mortgage Sinking Fund Gold Bonds due September 1, 1942 now owned by Power & Light.

3. Pueblo proposes to extend the maturity date of the balance of its outstanding First Mortgage Bonds in the principal amount of $322,080 from September 1, 1942 to September 1, 1952, such extended bonds to continue to bear interest at 5% per annum, to be redeemable at 100% of the principal amount thereof, plus accrued interest, and to be further secured by the terms of an indenture supplemental to the indenture dated September 1, 1922.

4. Power & Light proposes to donate to Pueblo, and Pueblo proposes to acquire: (a) 2,655.2 shares of the common stock of Pueblo in the aggregate par value of $265,520; (b) 4,023 shares of Pueblo's preferred stock in the aggregate par value of $402,300; and (c) the $1,227,408.15 principal amount of indebtedness of Pueblo due Power & Light.

Pueblo proposes to retire and cancel all of such securities and credit the amount thereof to capital surplus.

5. Pueblo proposes to provide for additional property reserves in the amount of $210,510.80 by a charge to surplus, and further proposes to write-off against surplus certain intangible property in the amount of $48,676.10, which amounts, together with the existing surplus (deficit) of $1,186,041.25 as at June 30, 1942, will be charged to the capital surplus created through the donation of securities by Power & Light; to charge retirement reserve with the estimated cost of its manufacturing gas facilities no longer used or useful in the approximate amount of $200,000.

All of the foregoing transactions are to become effective, when, as and if the holders of 90% of the First Mortgage Bonds of Pueblo, owned by others than Power & Light, shall have duly extended the maturity of their bonds to September 1, 1952 in accordance with the supplemental indenture.

Additional information concerning the proposed transaction is to be filed by amendment.

It appearing to the Commission that it is appropriate in the public interest and in the interest of investors and consumers that a hearing be held with respect to said matters, and that said applications shall not be granted nor said declarations become effective except pursuant to further order of this Commission:

It is ordered, That a hearing on such matters under the applicable provisions of said Act and Rules of the Commission thereunder be held on September 24, 1942, at 10 A. M., E. W. T., at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania, in the room designated on said date by the hearing room clerk in Room 318. At such hearing, cause shall be shown why such declarations or applications (or both) shall become effective or shall be granted.

Notice is hereby given to the above named declarants or applicants and to all interested persons, said notice to be given to said declarants or applicants by registered mail and to all other persons by publication in the FEDERAL REGISTER.

It is further ordered, That Robert P. Reeder or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice.

It is further ordered, That without limiting the scope of issues presented by said declarations and applications (or both) otherwise to be considered in this proceeding, particular attention will be directed at the hearing to the following matters and questions:

1. Whether the issues and sales by Pueblo of its common stock and first mortgage bonds are reasonably adapted to the security structure and earning power of Pueblo, and whether the terms and conditions of such issues and sales are detrimental to the public interest or the interest of investors or consumers.

2. Whether the acquisition of Pueblo's securities by Power & Light (a) will tend toward interlocking relations or the concentration of control of public utility companies, of a kind or to an extent detrimental to the public interest or the interest of investors or consumers; (b) will unduly complicate the capital structure of the holding company system or will be detrimental to the public interest or the interest of investors or consumers or the proper functioning of the holding company system; (c) is detrimental to the carrying out of the provisions of section 11 of the Act; and (d) will tend toward the economical and efficient development of an integrated public utility system.

3. Facts and circumstances concerning the acquisition and ownership by Cities Service Company of $32,000 principal amount of first mortgage bonds of Pueblo, and whether, in view of such facts as determined, any particular action should be taken with respect to the interest of Cities Service Company represented by such securities, including the subordination thereof, in whole or in part, to the claims of other security holders.

4. Whether, in the public interest or in the interest of investors or consumers, it is necessary or appropriate to impose any terms or conditions in any order which might be entered approving said transactions.

5. Whether all action proposed to be taken complies with the requirements of the Act and Rules, Regulations or Orders promulgated thereunder.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 42-8800; Filed, September 4, 1942; 2:28 p. m.]

[File No. 59-53]

CITIES SERVICE CO., ET AL.

NOTICE AND ORDER INSTITUTING PROCEEDINGS AND SETTING DATE FOR HEARING

At a regular session of the Securities and Exchange Commission held at its office in the City of Philadelphia, Pennsylvania, on the 29th day of August A. D. 1942.

In the matter of Cities Service Company, Cities Service Power & Light Com-

pany, Federal Light & Traction Company, Central Arkansas Public Service Corporation, Public Service Company of Colorado, The Ohio Public Service Company, The Toledo Edison Company, and The Empire District Electric Company, respondents.

I

The Commission having data in its files and records relating to Cities Service Company and Cities Service Power & Light Company and the latter's subsidiary companies establishing, or tending to establish, the following:

1. Cities Service Company, a corporation organized under the laws of the State of Delaware, is a registered holding company under the Public Utility Holding Company Act of 1935.

2. Cities Service Power & Light Company ("Power & Light"), a corporation organized under the laws of the State of Delaware, is a registered holding company under said Act and is a subsidiary of Cities Service Company.

3. Federal Light & Traction Company is a holding company subsidiary of Cities Service Power & Light Company, and Central Arkansas Public Service Corporation is in turn a holding company subsidiary of Federal Light & Traction Company. Both Federal Light & Traction Company and Central Arkansas Public Service Corporation are registered holding companies under the Act. Public Service Company of Colorado is a holding company (although not a registered holding company) subsidiary of Cities Service Power & Light Company.

4. The following table shows the capitalization and surplus as at December 31, 1941 of Cities Service Power & Light Company and the division of ownership of the outstanding securities as between Cities Service Company and public investors:

Data Showing Ownership of Securities of Cities Service Power & Light Company at Dec. 31, 1941

	Total principal amount par or stated value (2)	Held by—			
		Cities Service Company		Public	
		Amount	Percent of total	Amount	Percent of total
Capitalization:					
Long term debt:					
5½% gold debentures, due 1949	$15,766,900	$1,914,000	12.14	$13,852,900	87.86
5½% gold debentures, due 1952	34,218,000	2,289,000	6.69	31,929,000	93.31
	49,984,900	4,203,000	8.41	45,781,900	91.59
Preferred Stock (no par value):					
$7.00 Cumulative, 56,346 shares	634,600	3,371,100	59.83	2,263,500	40.17
$6.00 Cumulative, 71,577 shares	7,157,700	3,879,100	54.19	3,278,600	45.81
$5.00 Cumulative, 50,000 shares	5,000,000	4,935,200	98.70	64,800	1.30
	[1] 17,792,300	12,185,400	68.49	5,606,900	31.51
Common Stock[3]—$100 par value, 600,000 shares	60,000,000	[2] 60,000,000	[2] 100.00		
Total securities	127,777,200	76,388,400	59.78	51,388,800	40.22
Surplus:					
Capital surplus	14,797				
Earned surplus	[1] 6,442,947				
	[1] 6,457,744				
Total capitalization	134,234,944				
Voting rights at Dec. 31, 1941			100.00		

[1] Preferred stocks are shown at their involuntary liquidating values which exceeded stated values by $709,294. This excess has been eliminated from earned surplus account.
[2] The book cost of the above common stock as shown on the books of the parent company amounted to $8,001,938.
[3] Cities Service Company is the beneficial owner of all such shares although 48,750 shares are nominally held by Consolidated Cities Light Power & Traction Company, a subsidiary.

The three series of preferred stock of Power & Light outstanding rank equally as to all rights and privileges except as to dividend rates. Such preferred stocks have no voting rights except upon dividends thereon being in arrears 12 months, in which event, the preferred stock voting as a class may elect one less than a majority of the Board of Directors. In the absence of such arrears, voting rights are vested solely in the common stock.

II

ORGANIZATION OF CITIES SERVICE POWER & LIGHT COMPANY

5. Power & Light was incorporated on November 3, 1924. Pursuant to an agreement dated January 2, 1925, Power & Light acquired as of June 30, 1924, from Cities Service Company, securities and accounts of certain utility companies, the book cost of which to Cities Service Company was $42,909,502 of which $34,567,830 was applicable to the securities. In consideration for the transfer of such securities and accounts, Power & Light issued and delivered to Cities Service Company and assumed securities as follows:

Description	*Amount*
20-year 6% gold bonds	$20,000,000
First preferred stock 7%	10,000,000
Second preferred stock 7%	5,000,000
Common stock	64,999,000
Cash	1,000
Indebtedness assumed	6,465,889
Total	$106,465,889

The excess of the book cost to Power & Light over book cost to Cities amounted to $58,556,337.[1] The securities thus acquired from Cities Service Company presently comprise substantially the major assets of Power & Light. The securities issued therefor represented the total issued and outstanding securities of Power & Light at such date.

6. The bonds and first preferred stock so received by Cities Service Company, together with additional bonds for which the second preferred stock so received was exchanged par for par, were offered to the public through underwriters. Cities Service Company still owns all of the common stock of Power & Light which it acquired upon the organization of that company with the exception of $5,000,000 par value which was "donated" to Power & Light in September 1935. The investment of Cities Service Company in such common stock is carried on its books at $8,001,938. This investment affords control of the Power & Light system, with total consolidated assets of $426,727,463 as at December 31, 1941.

III

ACQUISITION OF PREFERRED STOCKS

7. Between June 15, 1932 and December 27, 1939 Power & Light paid no dividends on its preferred stocks. Between such dates Cities acquired outstanding preferred stock of Power & Light through market purchases at the costs as shown in the following table:

Year acquired	Shares purchased	Total cost	Average price
June 1, to Dec. 31:			
1932	1,886	$36,714	$19.47
1933	2,531	32,082	12.68
1934 [1]	1,500	23,844	15.90
1935 [1]	2,055	32,054	15.60
1936	2,517	160,948	63.94
1937	4,425	302,171	68.29
1938	11,452	639,522	55.84
1939	425	26,668	62.75
Gross purchases	26,791	1,254,003	46.81
Less transfer to power and light [1]	2,310	36,687	15.88
Net purchases by cities	24,481	1,217,316	49.72

[1] Accumulated and transferred by Cities Service Securities Company in 1937 to following affiliates:

Company	Shares	Cost	Average price
Cities Service Company	1,245	$19,211	$15.43
Cities Service Power & Light Co	2,310	36,687	15.88
Total	3,555	55,898	15.72

While arrears were accumulating on Power & Light preferred stock, Cities acquired 24,481 shares of such stock at an aggregate cost of $1,217,316 of which 11,452 shares were acquired during the year 1938 at an average cost of $55.84 per share. Between December 27, 1939 (when Power & Light began paying its accumulated dividend arrears) and De-

[1] As reduced by the "donation" by Cities of $5,000,000 par value of Power & Light's common stock. (See paragraph 6 hereof.)

cember 31, 1942, Cities received dividends on the shares so purchased in the amount of $1,514,942 which was $297,626 more than the total cost of such shares to Cities.

8. During the period when Power & Light was accumulating preferred dividend arrears and when Cities Service Company was increasing its investment in preferred shares of Power & Light, the latter issued notes payable to Cities Service Company and to Cities Service Securities Company (a wholly owned subsidiary of Cities Service Company). Principal and interest were paid in full on these notes prior to the resumption of dividend payments on the preferred stock.

9. Dividends were resumed on December 27, 1939 and between such date and May 8, 1941 all accumulated arrearages were paid. Accumulated arrearages for a period of approximately seven and one-half years were paid within a period of approximately sixteen and one-half months, during which time current dividends were also paid. During the three years 1939 to 1941, Cities received dividends in the aggregate amount of $6,856,712 on the Power & Light preferred stock held by it, including the shares acquired as shown in paragraph 7 above. Immediately following payment of all accumulated dividend arrearages on its preferred stocks, Power & Light resumed payment of dividends on its common stock, all held by Cities, and paid dividends thereon during the balance of the year 1941 in the aggregate amount of $1,650,000.

IV

INCOME FROM POWER & LIGHT TO CITIES

10. Net income per books and preferred dividend payments by Power & Light since 1925 and distribution as between Cities and the public have been as follows:

Year ended Dec. 31—	Net income (per books)	Preferred dividends paid	
		To Cities Service Co.	To public
1925	$5,694,252	$852,321	$51,840
1926	5,332,232		700,000
1927	4,727,390	28,874	908,459
1928	5,216,426	215,565	904,727
1929	7,991,441	447,355	672,622
1930	6,962,910	474,780	645,211
1931	4,730,872	505,993	614,001
1932	2,340,616	[1] 234,856	[1] 231,802
1933	1,871,066		
1934	1,671,620		
1935	2,672,286		
1936	4,257,792		
1937	4,171,785		
1938	3,439,176		
1939	3,946,946	1,430,966	754,420
1940	4,932,182	3,577,415	1,874,885
1941	2,948,218	1,848,331	952,425
Total	72,906,610	9,616,456	8,310,398

[1] Includes dividends paid June 15 to shareholders of record on June 1, when dividends were discontinued.

11. Common dividends paid by Power & Light since 1925 have been as follows:

Year Ended Dec. 31—	Net Income Per Books after Preferred Dividend Payments [1]	Common Dividends Paid to Cities Service Co.
1925	$4,790,085	$3,683,333
1926	4,632,232	2,708,333
1927	3,790,057	2,600,000
1928	4,096,134	5,200,000
1929	6,871,464	5,200,000
1930	5,842,919	5,200,000
1931	3,610,878	5,200,000
1932	1,873,358	2,166,667
1933	1,871,066	
1934	1,671,620	
1935	2,672,286	
1936	4,257,792	
1937	4,171,785	
1938	3,439,176	
1939	1,761,560	
1940	[2] 520,118	
1941	147,462	1,650,000
Total	[3] 54,979,756	33,608,333

[1] No preferred dividends paid between June 15, 1932 and Dec. 27, 1939.
[2] Indicates red figure.
[3] Includes undistributed earnings of subsidiaries for the years prior to Jan. 1, 1938, which in certain years were computed after depreciation charges in amounts less than those actually made by subsidiaries.

12. Prior to 1938, it was the policy of Power & Light to reflect on its books its equity in the surplus of subsidiary companies and to include as income its proportion of the net earnings of such subsidiaries. If net income were computed on the basis of dividends actually received from subsidiaries, Power & Light paid dividends in certain years when no surplus was available therefor.

13. During the period from June 30, 1924 to December 31, 1927, Power & Light included as income its proportion of subsidiary companies' earnings before the deduction therefrom of accruals for depreciation or retirements, and deducted from its income an amount for such accruals as stipulated by its bond indenture, which amount was substantially less than the depreciation or retirement provisions charged to income by subsidiaries. As a result of this accounting policy, Power & Light paid dividends when no surplus would have been available therefor under accepted accounting practices.

14. Cities Service Company has also received engineering and management fees from Power & Light and subsidiaries which were not based on the cost of rendering such services but were determined by arbitrary percentages of construction costs and gross revenues, respectively.

15. Net income of Power & Light amounted to $2,948,219 in 1941. Dividends paid during 1941, including $1,650,000 on the common stock, totaled $4,450,756. As of December 31, 1940, current assets of Power & Light exceeded current liabilities by $519,581. As of December 31, 1941, current liabilities exceeded currents assets by $162,320. Subsequent to December 31, 1941, and the payment of $1,650,000 of common stock dividends to Cities, Power & Light borrowed $650,000 on a 2% short term bank loan.

16. The following table shows the changes in the corporate capitalization and surplus of Power & Light between November 7, 1924 and December 31, 1941 (per books) and reflects an increase in the ratio of long term debt, and a decrease in the ratio of common stock and surplus, to the total capitalization and surplus:

	Nov. 7, 1924		Dec. 31, 1941	
	Amount	Percent	Amount	Percent
Funded debt	$20,000,000	20.0	$49,084,900	37.2
Preferred stock	15,000,000	15.0	[1] 17,083,006	12.7
Common stock	65,000,000	65.0	60,000,000	44.7
Surplus			7,167,038	5.4
Total	100,000,000	100.0	134,234,944	100.0

[1] Compared with the above stated value, the preferred shares have preference upon involuntary liquidation of $17,792,300.

17. The following table shows the changes in the consolidated capitalization and surplus of Power & Light and its subsidiary companies between June 30, 1924 and December 31, 1941 (per books), and reflects an increase in the ratio of long term debt and a decrease in the ratio of the common stock and surplus to the total consolidated capitalization and surplus:

	June 30, 1924		December 31 1941	
	Amount	Percent	Amount	Percent
Long term debt	$146,190,404	56.1	$217,238,683	59.5
Subsidiary preferred stocks	31,588,079	12.1	51,486,385	14.1
Minority interest in subsidiary common stocks and related surplus	2,693,907	1.0	4,692,986	1.3
Preferred stock	15,000,000	5.8	[1] 17,083,006	4.7
Common stock	65,000,000	25.0	60,000,000	16.5
Surplus			14,050,992	3.9
Total	260,472,390	100.0	364,552,052	100.0

[1] See footnote to preceding table.

18. As of December 31, 1941, the structure of the holding company system of Power & Light and its subsidiary companies reflected the following ratios on a consolidated basis.

Ratio	*Percentage*
Debt to total capitalization and surplus	59.5
Debt and preferred stock to total capitalization and surplus	78.3
Debt to net fixed assets and investments	63.3
Debt and preferred stock to net fixed assets and investments	83.2
Debt to net fixed property	65.5
Debt and preferred stock to net fixed property	86.2

The capitalization tables in paragraphs 16 and 17 and the foregoing computations are based on the books of the companies and do not exclude intangibles or items of inflation herein described.

19. Appendix (1) attached hereto and made a part hereof shows the securities of subsidiary companies held by Power & Light as of December 31, 1941. Such securities (excluding those of Citizens Gas Fuel Company) are carried on Power & Light's books at $38,480,794 in excess of the principal amount, par or stated value thereof, on the books of the subsidiary companies. Appendix (2) shows securities of other companies held by Power & Light at such date.

Public Service Company of Colorado, The Ohio Public Service Company, The Toledo Edison Company and The Empire District Electric Company, among others, are all operating public utility companies and are direct subsidiaries of Cities Service Power & Light.

V

FACTS CONCERNING CERTAIN SUBSIDIARIES

Public Service Company of Colorado

20. The following table shows the capitalization and surplus as at December 31, 1941 per books (but adjusted to show preferred stocks at involuntary liquidating values) of Public Service Company of Colorado (hereinafter sometimes referred to as "Colorado") and the division of ownership of the outstanding securities as between Cities Service Power & Light Company and public investors.

Data Showing Ownership of Securities of Public Service Company of Colorado at Dec. 31, 1941

	Total principal amount, par or stated value[1]	Held by—			
		Cities Service Power & Light Co.		Public	
		Amount	Percent of total	Amount	Percent of total
Capitalization:					
Long Term Debt:					
First Mortgage Bonds, 3½% Series, due Dec. 1, 1964	$40,000,000	----------	----------	$40,000,000	100.00
4% Sinking Fund Debentures, due Dec. 1, 1949	10,900,000	----------	----------	10,900,000	100.00
	50,900,000	----------	----------	50,900,000	100.00
Preferred Stock ($100-par value):					
7% Cumulative first preferred, 58,727 shares	[1] 6,459,970	$3,435,850	53.19	3,024,120	46.81
6% Cumulative first preferred, 39,957 shares	3,995,700	764,400	19.13	3,231,300	80.87
5% Cumulative first preferred, 3,750 shares	375,000	135,600	36.16	239,400	63.84
	10,830,670	4,335,850	40.03	6,494,820	59.97
Common Stock—$100 par value, 229,900 shares	22,990,000	22,990,000	100.00	----------	----------
Total securities	84,720,670	27,325,850	32.25	57,394,820	67.75
Earned surplus	[2] 1,686,403	----------	----------	----------	----------
Total capitalization	86,407,073	----------	----------	----------	----------
Voting rights at Dec. 31, 1941	----------	----------	100.00	----------	----------

[1] The above preferred stock is shown at the involuntary liquidating value ($110 per share) which exceeded par value ($100 per share) by $587,270. This excess has been eliminated from the above earned surplus account. The other classes of preferred issues reflect involuntary liquidating values which are equal to the par values.

[2] Earned Surplus per books amounted to $2,273,673 of which $2,182,954 is restricted under the Trust Indenture as to payment of Common Dividends.

21. Power & Light exercises 100% voting control over Colorado by reason of ownership of all of its common stock. The preferred stock is entitled to one vote per share when dividends are in arrears for a period of twelve months. In such contingency, the common stock would still represent more than 66% of the voting control.

22. The changes in the capitalization and surplus of Colorado and subsidiaries between June 30, 1925 and December 31, 1941 (reflecting an increase in the ratio of long term debt, and a decrease in the ratio of common stock and surplus, to total capitalization and surplus) are shown by the following table:

	June 30, 1925		Dec. 31, 1941	
	Amount	Percent	Amount	Percent
Long term debt	$37,433,500	55.78	$50,900,000	58.75
Preferred stock	7,077,834	10.55	10,243,400	11.82
Common stock	20,500,000	30.54	22,990,000	26.54
Earned surplus	2,099,154	3.13	[1] 2,502,862	2.89
Total	67,110,488	100.00	86,636,262	100.00

[1] Includes $2,182,954 restricted under trust indentures.

23. Common stock dividends paid to Power & Light and earnings available therefor for the years 1930 to 1941, inclusive, by Colorado, and the annual depreciation charged to income and the depreciation allowed or claimed for Federal income tax purposes for the years 1933 to 1940, inclusive, were as follows:

Year	Balance after preferred dividends paid	Common stock dividends paid	Balance
1930	$2,482,736	$1,248,000	$1,234,736
1931	2,658,421	5,824,000	[1] 3,165,579
1932	1,966,668	2,704,000	[1] 737,332
1933	1,454,483	1,664,000	[1] 209,517
1934	1,596,140	1,664,000	[1] 67,860
1935	1,984,908	1,664,000	320,908
1936	2,512,824	1,924,000	588,824
1937	2,628,300	2,288,000	340,300
1938	2,504,258	2,617,333	[1] 113,075
1939	2,838,587	1,877,480	961,107
1940	3,474,066	2,896,740	577,326
1941	2,310,520	1,620,795	689,725
Total	28,411,911	27,992,348	419,563

Common dividends paid—98.5% of earnings available.

[1] Indicates red figures.

Year	Depreciation allowed or claimed for income tax purposes	Depreciation charges to income	Difference
1933	$1,548,162	$828,000	$720,162
1934	1,480,702	828,000	652,702
1935	1,497,589	828,000	669,589
1936	1,648,084	828,000	820,084
1937	1,824,627	988,000	836,627
1938	1,824,755	1,288,000	536,755
1939	1,824,787	1,420,000	404,787
1940	1,829,968	1,432,000	397,968
Total	13,478,674	8,440,000	5,038,674

If earnings for the years 1933 to 1940 inclusive are adjusted to reflect depreciation on the same basis as allowed or claimed for Federal income tax purposes, common dividends paid during such period would have exceeded earnings available therefor by $2,640,661.

24. In recording the cost of certain properties in its fixed property and investment accounts, Colorado included items of intrasystem appreciation as appear in the following table:

	Cost to Public Service of Colorado	Cost to First System Company	Excess
UTILITY PLANT ACQUISITIONS			
By merger of the following companies in October 1923:			
The Denver Gas & Electric Light Co.	$12,500,000	$8,321,899	$4,178,101
The Western Light & Power Co.	1,995,589	519,523	1,476,066
Purchase of Valmont Steam Electric generating station—(cost of construction per Lakeside Construction Co. $4,484,671) by Public Service of Colorado	10,125,000	4,484,672	5,640,328
Merger of Public Service Company of Colorado (Co. No. 1), together with merger of Denver Gas & Electric Co. and The Western Light & Power Co. into Public Service Company of Colorado (Co. No. 2). Company No. 2 paid $2,666,609 more than the book value of Public Service Co. of Colorado No. 1	2,666,609		2,666,609
Total acquisition per merger of October 1923	27,287,198	13,326,094	13,961,104
Merger of Colorado Power Co., September 1924	9,181,240	3,194,188	5,987,052
Miscellaneous companies acquired in 1926	2,785,000	2,190,243	594,757
Acquisition of Colorado-Wyoming Gas Co. in 1931	2,675,000	1,645,494	1,029,506
Total utility plant acquisitions	41,928,438	20,356,019	21,572,419
ADDITIONS TO INVESTMENT ACCOUNT			
Purchase of 15 percent common stock of Colorado Interstate Gas Co., from Cities Service Co.	1,875,000	23,000	1,852,000
Total utility plant and investment acquisitions	43,803,438	20,379,019	23,424,419

25. The ratios of long-term debt, and long-term debt and preferred stock of Colorado to its net utility plant per books, and adjusted to eliminate items of inflation, are shown in Appendix (3). As of December 31, 1941 long-term debt and preferred stock amounted to 104.56% of net utility plant as adjusted.

26. The common stock and surplus of Colorado, per books, and adjusted to eliminate items of inflation is shown in Appendix (4). The common stock and surplus, as adjusted, amounts to $2,068,443 as compared to $25,492,862, per books.

The Ohio Public Service Company

27. The following table shows the capitalization and surplus as at December 31, 1941 of The Ohio Public Service Company (hereinafter sometimes referred to as "Ohio") and the division of ownership of the outstanding securities as between Cities Service Power & Light Company and public investors:

Data Showing Ownership of Securities of The Ohio Public Service Company as of Dec. 31, 1941

	Total principal amount par or stated value	Held by—			
		Cities Service Power & Light Co.		Public	
		Amount	Percent of total	Amount	Percent of total
CAPITALIZATION					
Long Term Debt:					
First Mortgage Bonds, 4% Series, due 8/1/62	$28,900,000			$28,900,000	100.00
Serial notes, 3½%, 3¾% and 4%, due serially 1942 to 1947, inclusive	960,000			960,000	100.00
Promissory Notes, 2⅞ unsecured due serially 1942 to 1948	1,739,000			1,739,000	100.00
	[1] 31,599,000			31,599,000	100.00
Preferred Stock, First Preferred ($100 par value):					
7% Cumulative, Series A, 62,648 shs.	6,264,800	49,800	.79	6,215,000	99.21
6% Cumulative, 58,002 shs.	5,800,200	77,300	1.33	5,722,900	98.67
5½% Cumulative, 16,000 shs.	1,600,000			1,600,000	100.00
5% Cumulative, 17,047 shs.	1,704,700	81,200	4.76	1,623,500	95.24
	[2] 15,369,700	208,300	1.36	15,161,400	98.64
Common Stock, $100 par value, 61,390 shs.	6,139,000	6,139,000	100.00		
Total securities	53,107,700	6,347,300	11.95	46,760,400	88.05
Earned surplus	[3] 1,783,077				
Total capitalization	54,890,777				
Voting Rights at Dec. 31, 1941			100.00		

[1] Excludes $7,000,000 being advanced by the Reconstruction Finance Corporation in 1942.
[2] Involuntary liquidating value is equal to par value for each class of the above preferred issues.
[3] Earned Surplus is restricted as to payment of cash dividends on common shares under the order of the Public Utilities Commission of Ohio in connection with the issue of the 2⅞% unsecured notes due serially over a period to January 1948. Such restriction amounts to $1,624,325 at Dec. 31, 1941.

28. Power & Light exercises 100%, voting control over Ohio by reason of ownership of all its common stock. The preferred stock is entitled as a class to 50% of entire voting power when dividends are in arrears for a period of twelve months.

29. The changes in the capitalization and surplus of Ohio and subsidiary company between December 31, 1924 and December 31, 1941, reflecting an increase in the ratio of long-term debt and preferred stock, and a decrease in the ratio of common stock and surplus, to total capitalization and surplus, are shown by the following table:

	December 31, 1924		December 31, 1941	
	Amount	%	Amount	%
Long term debt	[1] $29,385,391	60.71	[2] $31,599,000	57.57
Preferred stock	10,159,900	20.99	15,369,700	28.00
Common stock	7,689,000	15.89	6,139,000	11.18
Earned surplus	826,668	1.71	[3] 1,783,077	3.25
"Contingent surplus"	340,041	.70		
Total	48,401,000	100.00	54,890,777	100.00

[1] Includes accounts payable to affiliated companies of $35,971.
[2] Excludes $7,000,000 being advanced by the Reconstruction Finance Corporation for construction of generating plant.
[3] Earned surplus is restricted as to payment of cash dividends on common shares under the order of the Public Utilities Commission of Ohio in connection with the issue of the 2⅞% unsecured notes due serially over a period to January 1948. Such restriction amounts to $1,624,325 at December 31, 1941.

30. Common stock dividends paid to Power & Light and earnings available therefor for the years 1930 to 1941, inclusive, by Ohio, and the annual depreciation charged to income and the depreciation allowed or claimed for Federal income tax purposes for the years 1933 to 1940, inclusive, were as follows:

Year	Balance after preferred dividends paid	Common stock dividends paid	Balance
1930	$2,480,895	$1,227,800	$1,253,095
1931	1,640,197	1,227,800	412,397
1932	1,126,981	1,227,800	[1] 100,819
1933	1,013,623	1,841,700	[1] 828,077
1934	949,772	1,227,800	[1] 278,028
1935	1,102,410	1,227,800	[1] 125,390
1936	1,425,351	1,043,630	381,721
1937	2,006,863	1,534,750	472,113
1938	1,432,662	1,289,190	143,472
1939	2,008,276	1,872,395	135,881
1940	1,740,462	1,657,530	82,932
1941	1,310,775	966,893	343,882
Total	18,238,267	16,345,088	1,893,179

[1] Indicates red figures.

Common dividends paid—89.6% of earnings available.

Year	Depreciation allowed or claimed for income tax purposes	Depreciation charges to income	Difference
1933	$952,150	$480,000	$472,150
1934	900,000	540,000	360,000
1935	900,000	540,000	360,000
1936	1,100,000	540,000	560,000
1937	840,000	840,000	
1938	1,300,000	840,000	460,000
1939	1,300,000	840,000	460,000
1940	1,200,000	960,000	240,000
Total	8,492,150	5,580,000	2,912,150

If earnings for the years 1933 to 1940, inclusive, are adjusted to reflect depreciation on the same basis as allowed or claimed for Federal income tax purposes, common dividends paid during such period would have exceeded earnings available therefor by $2,927,526, and without such adjustment exceeded earnings available therefor by $15,376.

31. In recording the cost of certain properties in its fixed property and investment accounts, Ohio included items of intra-system appreciation as appears in the following table:

Companies or assets acquired	Value of property recorded in books of Ohio	Cost of properties to First System Company	Excess
Ashland Gas & Electric Light Co. and Richland Public Service Co.	$7,275,900	$3,992,467	$3,283,433
Alliance Gas & Power Co., Lorain County Electric Co., Massillon Electric & Gas Co., Trumbull Public Service Co., Utilities Construction Co.	14,095,457	12,976,910	1,118,547
Sandusky Gas & Electric Co., Port Clinton Electric Light & Power Co., Northwestern Ohio Railway & Power Co., Central Ohio Gas Co.	17,003,758	9,527,590	7,476,160
Less: Inflation applicable to Central Ohio Gas Co. Properties eliminated through sale of the gas properties to Ohio Fuel Gas Co. in 1926 and 1928			[1] 6,961,259
Net excess			4,916,881

[1] Indicates red figure.

32. The ratios of long-term debt and long-term debt and preferred stock of Ohio to its net utility plant per books, and adjusted to eliminate items of inflation, are shown in Appendix (3). As of December 31, 1941 long-term debt and preferred stock amounted to 105.93% of net utility plant as adjusted.

33. The common stock and surplus of Ohio, per books, and adjusted to eliminate items of inflation, is shown in Appendix (4). The common stock and surplus, as adjusted, amounts to $3,005,196 as compared to $7,922,077, per books.

The Toledo Edison Company

34. The following table shows the capitalization and surplus as at December 31, 1941 of The Toledo Edison Company (sometimes hereinafter referred to as "Toledo") and the division of ownership of the outstanding securities as between Power & Light and public investors:

Data Showing Ownership of Securities of The Toledo Edison Company at Dec. 31, 1941

	Total principal amount par or stated value	Held by—			
		Cities Service Power & Light Co.		Public	
		Amount	Percent of total	Amount	Percent of total
Capitalization:					
Long Term Debt:					
First Mortgage bonds, 3½% Series, due July 1968	$30,000,000			$30,000,000	100.00
First Mortgage bonds, 3¼% Series, due April 1970	3,000,000			3,000,000	100.00
3½% Sinking Fund Debentures, due April 1960	6,707,000			6,707,000	100.00
	39,707,000			39,707,000	100.00
Preferred Stock ($100-par value):					
7% Cumulative, 45,563 shares	4,556,300	$9,000	.20	4,547,300	99.80
6% Cumulative, 46,837 shares	4,683,700	100		4,683,600	100.00
5% Cumulative, 68,964 shares	6,896,400	4,200	.06	6,892,200	99.94
	[1] 16,136,400	13,300	.08	16,123,100	99.92
Common Stock, no par value, 1,387,500 shares	13,875,000	13,659,000	98.44	216,000	1.56
Total securities	69,718,400	13,672,300	19.61	56,046,100	80.39
Earned surplus	[2] 3,487,304				
Total capitalization	73,205,704				
Voting rights at December 31, 1941			98.44		1.56

[1] Involuntary liquidating value is equal to par value for each of the above preferred issues.
[2] Earned surplus is restricted as to the payment of cash dividends on common stock by an order of the Securities and Exchange Commission. Such restriction amounted to $3,364,830 at December 31 1941.

35. Power & Light exercises 98.44% voting control over Toledo by reason of its ownership of the same percentage of that company's common stock. The preferred stock has no vote in any event.

36. The changes in the capitalization and surplus of Toledo between December 31, 1924, and December 31, 1941, reflecting an increase in the ratio of long term debt and a decrease in the ratio of common stock and surplus to total capitalization and surplus are shown as follows:

	Dec. 31, 1924		Dec. 31, 1941	
	Amount	Percent	Amount	Percent
Long-term debt	$19,565,400	41.76	$39,707,000	54.24
Preferred shares	7,537,200	16.09	16,136,400	22.04
Common shares	13,875,000	29.62	13,875,000	18.95
Earned surplus	5,868,443	12.53	[1] 3,487,304	4.77
Total	46,846,043	100.0	73,205,704	100.00

[1] Earned surplus is restricted as to the payment of cash dividends on common stock by an order of the Securities and Exchange Commission. Such restriction amounted to $3,364,830 at Dec. 31, 1941.

37. Common stock dividends paid to Power & Light [2] and earnings available therefor for the years 1930 to 1941 inclusive by Toledo, and the annual depreciation charged to income and the depreciation allowed or claimed for Federal income tax purposes for the year 1933 to 1940 inclusive were as follows:

Year	Balance after preferred dividends paid	Common stock dividends paid	Balance
1930	$2,845,475	$1,110,000	$1,735,475
1931	2,557,373	1,110,000	1,447,373
1932	1,501,776	8,673,379	[1] 7,171,603
1933	1,124,138	1,110,000	14,138
1934	1,197,928	1,110,000	87,928
1935	1,180,479	2,566,875	[1] 1,386,396
1936	906,766	1,387,500	[1] 480,734
1937	1,219,866	1,387,500	[1] 167,634
1938	1,353,911	1,318,125	35,786
1939	1,823,104	1,803,750	19,354
1940	1,604,060	971,250	632,810
1941	1,254,106	888,000	366,106
Total	18,568,982	23,436,379	[1] 4,867,397

Common dividends paid—126.2% of earnings available.
[1] Indicates red figures.
[2] Prior to 1941 common stock dividends were paid to Toledo Light and Power Company, a wholly owned subsidiary of Power & Light.

Year	Depreciation allowed or claimed for income tax purposes	Depreciation charges to income	Difference
1933	$1,053,198	$720,000	$333,198
1934	1,000,000	720,000	280,000
1935	1,000,000	720,000	280,000
1936	1,033,000	753,000	280,000
1937	1,300,000	756,000	544,000
1938	833,935	833,935	
1939	1,400,000	943,706	456,294
1940	1,400,000	979,603	420,397
Total	9,020,133	6,426,244	2,593,889

If earnings for the years 1933 to 1940, inclusive, are adjusted to reflect depreciation on the same basis as allowed or claimed for Federal income tax purposes,

common dividends paid during such period would have exceeded earnings available therefor by $3,838,637 and without such adjustment exceeded earnings available therefor by $1,244,748.

38. In recording the cost of certain properties in its fixed property and investment accounts, Toledo included items of intra-system appreciation as appears in the following table:

Companies acquired	Cost to Toledo Edison Co.	Cost of properties to First System Company	Excess
The Acme Power Company	$7,684,054	$4,852,152	[1] $2,831,902
The Defiance Gas & Electric Co The Swanton Light & Power Co The Holgate Light & Power Co	3,743,018	2,753,110	989,908
Total			3,821,810

[1] Represents excess of appraised value of railway properties, exchanged for electric properties of an affiliate, over construction cost of the electric properties.

The property accounts of Toledo also reflect (1) excess of value assigned to property acquired upon organization in 1901 over book value as shown on books of predecessor in the amount of $8,209,628; (2) inflation of $399,274 resulting from an appraisal recorded on the books of Defiance Gas & Electric Company in 1919; and (3) inflation of $147,621 in the property account of The Lake Shore Power Company whose properties were subsequently acquired by Toledo. These transactions occured prior to affiliation of Cities Service with the particular companies involved.

39. The ratios of long term debt and long term debt and preferred stock of Toledo to its net utility plant per books, and adjusted to eliminate items of inflation are shown in Appendix (3). As of December 31, 1941 long term debt and preferred stock amounted to 87.25% of net utility plant as adjusted.

40. The common stock and surplus of Toledo, per books, and adjusted to eliminate items of inflation is shown in Appendix (4). The common stock and surplus, as adjusted, amounts to $13,540,494 as compared to $17,362,304 per books.

The Empire District Electric Company

41. The following table shows the capitalization and surplus as at December 31, 1941 of The Empire District Electric Company (hereinafter sometimes referred to as "Empire District") and the division of ownership of the outstanding securities as between Cities Service Power & Light Company and public investors:

Data Showing Ownership of Securities of The Empire District Electric Company at Dec. 31, 1941

	Total principal amount par or stated value	Held by—			
		Cities Service Power & Light Co.		Public	
		Amount	Percent of total	Amount	Percent of total
Capitalization:					
Long Term Debt:					
First Mortgage and Refunding Gold Bonds, 5% Series, due March 1, 1952	$11,604,000	$1,559,100	13.44	$10,044,900	86.56
Ozark Power and Water Company—First Mortgage Sinking Fund 5% Gold Bonds, due March, 1952	1,550,200			1,550,200	100.00
Town of Fairland, Oklahoma, 6% Electric Light Bonds, due serially to June 1, 1945	4,000			4,000	100.00
	13,158,200	1,559,100	11.85	11,599,100	88.15
Preferred Stock, ($100-par value) 6% Cumulative, 73,820 shares	[1] 7,382,000	4,080,200		3,301,800	
Preferred Stock Dividend Arrears	2,325,330	1,285,263		1,040,067	
Total Preferred Stock and Dividend Arrears	9,707,330	5,365,463	55.27	4,341,867	44.73
Common Stock, $100-par value, 19,429 shares	1,942,900	1,942,900	100.00		
Total Securities	24,808,430	8,867,463	35.74	15,940,967	64.26
Earned Surplus	[2] [3] 32,336				
Total Capitalization	24,776,094				
Voting rights at Dec. 31, 1941			100.00		

[1] Involuntary liquidating value is equal to par value.
[2] After deduction of $2,325,330 representing accrued dividends on preferred stock equal to $31.50 per share.
[3] Indicates red figure.

42. Power & Light exercises 100% voting control over Empire District by reason of its ownership of the same percentage of that company's common stock. The preferred stock carries no voting rights in any event.

43. The changes in the capitalization and surplus of Empire District between December 31, 1924 and December 31, 1941 resulting in a increase in the ratio of long term debt and a decrease in the ratio of common stock and surplus to total capitalization and surplus are shown in the following table:

	Dec. 31, 1924[1]		Dec. 31, 1941	
	Amount	Percent	Amount	Percent
Long-term debt	[2] $6,473,159	48.14	$13,158,200	53.11
Preferred stock	3,000,000	22.31	7,382,000	29.79
Dividend arrears on preferred stock			2,325,330	9.39
Common stock	3,000,000	22.31	1,942,900	7.84

[1] Capitalization as of Dec. 31, 1924 is on a consolidated basis.
[2] Includes $729,159 of notes and accounts payable to affiliated companies.

	Dec. 31, 1924[1]		Dec. 31, 1941	
	Amount	Percent	Amount	Percent
Earned surplus, after deducting arrears on preferred stock	$974,160	7.24	[3] [4] $32,330	.13
Total	13,447,319	100.00	24,776,094	100.00

[3] After deduction of $2,325,330 representing dividend arrears on preferred stock ($31.50 per share).
[4] Indicates red figures.

44. The net income, preferred dividend requirements and payments, common dividend payments and preferred dividend arrearages of Empire District for the years 1930 to 1941, inclusive, and the depreciation charged to income and the depreciation allowed or claimed for Federal income tax purposes for the years 1930 to 1940, inclusive, were as follows:

Year	Net income	Preferred dividend requirements	Preferred dividends paid	Common dividends paid	Preferred dividend arrears cumulated to date	Balance after dividends paid
1930	$465,852	$442,920	$442,920	$540,000		[3] $517,068
1931	147,548	442,920	442,920			[3] 295,372
1932	90,084	442,920	221,460		$221,460	[3] 130,476
1933[1]	191,627	442,920			553,650	191,627
1934[1]	299,842	442,920			996,570	299,842
1935[1]	400,507	442,920			1,439,490	400,507
1936[1]	199,179	442,920			1,882,410	199,179
1937[1]	386,657	442,920			2,325,330	386,657
1938[1]	491,015	442,920	221,460		2,546,790	269,555
1939	490,169	442,120	442,920		2,436,060	47,249
1940	497,849	442,920	442,920		2,436,060	54,929
1941	537,611	442,920	553,650		2,325,330	[3] 16,039
Total	4,198,840	5,315,040	2,768,250	540,000		890,590

[1] Years ending Sept. 30.
Total dividends paid—78.8 percent of earnings available.
Preferred dividends paid—62.3 percent of earnings available for years 1931 to 1941, inclusive.
[3] Indicates red figures.

Year	Depreciation allowed or claimed for income tax purposes	Depreciation charges to income	Difference
1930	$567,374	$480,000	$87,374
1931	631,654	300,000	331,654
1932	636,128	180,000	456,128
1933	640,116	180,000	460,116
1934	639,193	189,000	450,193
1935	600,000	192,000	408,000
1936	650,000	525,000	125,000
1937	648,870	525,000	123,870
1938	636,946	507,883	129,063
1939	614,805	500,400	114,405
1940	$671,401	$508,800	$162,601
Total	6,936,487	4,088,083	2,848,404

45. In recording the cost of certain assets in its fixed property and investment accounts Empire District included items of intra-system appreciation as appear in

	Value placed in Empire's Plant Account	Cost of properties to First System Company	Excess
1909—Acquisition of three small utilities	$8,067,627	$2,110,152	$5,957,475
1926—Acquisition of Ozark Power & Water Company	4,705,511	2,878,511	1,827,000
1929—Acquisition of Taney Light & Water Company	66,510	48,856	17,654
1929—Acquisition of Electric Utilities Company	727,902	613,834	114,068
Total	13,567,550	5,651,353	7,916,197

46. The Report to Stockholders of Empire District for the year 1941 contained the following:

The Federal Power Commission has made a report indicating a reduction in the plant accounts of $324,938.26 by charges to surplus of $190,059.16 and to other balance sheet accounts of $134,879.10, and has issued an order requiring the Company to show cause for not effecting this adjustment and also to submit a plan for the disposition of balances (established in the Commission's report) in the following accounts:

Electric Plant acquisition adjustments	$1,015,853.55
Electric Plant adjustments	6,624,099.31

The Company does not agree with the Commission's findings, and pending final settlement of the matter, the effect on the accounts is indeterminate.

47. The ratios of long term debt, and long term debt and preferred stock and arrears thereon of Empire District to its net utility plant per books, and adjusted to eliminate items of inflation, are shown in Appendix (3). As of December 31, 1941 long term debt and preferred stock and dividend arrears thereon amounted to 137.38% of net utility plant adjusted.

48. The common stock and surplus of Empire District, per books, and adjusted to eliminate items of inflation, is shown in Appendix (4). The common stock and surplus, as adjusted, amounts to a deficit of $5,038,473 as compared to $4,235,894 per books.

49. Appendix (5) attached hereto and made a part hereof shows Power & Light's income from all sources and the amount thereof received from Public Service Company of Colorado, The Ohio Public Service Company, The Toledo Edison Company and Empire District Electric Company for the three calendar years 1939 to 1941, inclusive. During such period the aggregate income from these four subsidiaries constituted approximately 70% of Power & Light's income from all sources.

VI

It appearing to the Commission in the light of the foregoing that it is appropriate in the public interest and the interest of investors to institute proceedings against Cities Service Company, Cities Service Power & Light Company, Federal Light & Traction Company, Central Arkansas Public Service Corporation, Public Service Company of Colorado, The Ohio Public Service Company, The Toledo Edison Company and Empire District Electric Company, pursuant to sections 11 (b) (2), 12 (c), 12 (f) and 15 (f) of the Public Utility Holding Company Act of 1935 in order to determine whether certain orders should be entered pursuant to the provisions of said sections, all as set forth more fully below:

It is ordered, That such companies named immediately above file with the Secretary of the Commission on or before the 22nd day of September 1942, answers to the allegations of paragraphs 1 to 49, inclusive, hereof in the form prescribed by Rule U-25 of the Rules pursuant to said Act.

It is further ordered, That pursuant to sections 11 (b) (2), 12 (c), 12 (f) and 15 (f) of the Public Utility Holding Company Act of 1935, a hearing be held on such matters at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania at 10:00 o'clock in the forenoon of the 6th day of October, 1942 to determine:

a. Whether the allegations in paragraphs 1 to 49, inclusive, are true and accurate;

b. Whether the corporate structure or continued existence of Cities Service Power & Light Company unduly or unnecessarily complicates the structure of the holding company system of Cities Service Company and/or Cities Service Power & Light Company; and if so, what action shall be required to be taken pursuant to section 11 (b) (2) with respect thereto;

c. Whether the structure of the holding company system of Cities Service Company is unduly or unnecessarily complicated by reason of the ownership by Cities Service Company of debt securities and preferred stocks of Cities Service Power & Light Company in addition to common stock of such company;

d. Whether voting power is fairly and equitably distributed among the security holders of Cities Service Power & Light Company; and if not, what action shall be required to be taken pursuant to section 11 (b) (2) with respect thereto;

e. Whether voting power is fairly and equitably distributed among the security holders of Public Service Company of Colorado, The Ohio Public Service Company, The Toledo Edison Company, and/or The Empire District Electric Company; and if not, what action shall be required to be taken pursuant to section 11 (b) (2) with respect thereto;

f. What action shall be required to be taken so that Cities Service Company or Cities Service Power & Light Company shall cease to be a holding company with respect to each subsidiary company thereof which itself has a subsidiary company which is a holding company;

g. Whether it is necessary or appropriate to enter any order pursuant to sections 12 (c) and 12 (f) of the Act prohibiting or restricting the payment of principal or interest on the debentures of Cities Service Power & Light Company held by Cities Service Company or prohibiting or restricting the payment of dividends on the preferred stock and/or common stock of Cities Service Power & Light Company held by Cities Service Company in order to protect the financial integrity of Cities Service Power & Light Company or any of its subsidiary companies or to prevent the payment of dividends out of capital or unearned surplus or to prevent circumvention of the provisions of the Act or any rule, regulation or order thereunder or otherwise in the pulic interest or for the protection of investors;

h. Whether the payments of common dividends by Cities Service Power & Light Company since May 8, 1941, have been in accordance with the applicable requirements and standards of the Act and Rules and Regulations thereunder and whether it is necessary or appropriate to require any action to be taken in the light of such payments;

i. Whether it is necessary or appropriate to enter any order pursuant to sections 12 (c) and 12 (f) of the Act prohibiting or restricting the payment of principal or interest of debt securities or prohibiting or restricting the payment of dividends on preferred stock or common stock of Public Service Company of Colorado, The Ohio Public Service Company, The Toledo Edison Company and/or The Empire District Electric Company, held by Cities Service Power & Light Company in order to protect the financial integrity or safeguard the working capital of such companies or any of them or to prevent the payment of dividends out of capital or unearned surplus or to prevent circumvention of the provisions of the Act or any Rule, Regulation or order thereunder or otherwise in the public interest or for the protection of investors.

j. Whether it is necessary or appropriate in the public interest or for the protection of investors to require Cities Service Power & Light Company, Public Service Company of Colorado, The Ohio Public Service Company, The Toledo Edison Company and/or The Empire District Electric Company to restate their respective plant investment, surplus, capital or other accounts pursuant to section 15 (f) of the Act and the Rules and Regulations thereunder so as to segregate, dispose of and eliminate write-ups and intangibles in the plant and investment accounts, set up adequate reserves for retirements and depreciation of plant and property, and make other adjustments in conformance with the standards of the Act and Rules and Regulations thereunder.

It is further ordered, That upon convening of the hearing above ordered, the respondents, Cities Service Company and Cities Service Power & Light Company, shall show cause why the Commission shall not forthwith enter an order prohibiting the declaration or payment of further dividends on the common stock of Cities Service Power & Light Company as violative of section 12 (c) of the Public Utility Holding Company Act of 1935 and rules thereunder; such order to be effective until termination of the proceeding herein ordered and final determination of the issues stated above.

It is further ordered, That William W. Swift or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing on such matters. The officer so designated to preside at such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of the Public Utility Holding Company Act of 1935 and to a trial examiner under the Commission's Rules of Practice.

It is further ordered, That notice of said hearing is hereby given to Cities Service Company, Cities Service Power & Light Company, Federal Light & Traction Company, Central Arkansas Public Service Corporation, Public Service Company of Colorado, The Ohio Public Service Company, The Toledo Edison Company and The Empire District Electric Company, to their respective security holders, all States, muncipalities and political subdivisions of States within which are located any of the physical assets of said companies, or under the laws of which any of said companies are incorporated, all State Commissions, State Securities Commissions and all agencies, authorities or instrumentalities of one or more States, municipalities or other political subdivisions having jurisdiction over such companies or over any of the businesses, affairs, or operations of any of them; that the Secretary of the Commission shall serve notice of the hearing aforesaid by mailing a copy of this order by registered mail to such companies not less than fifteen days prior to the date hereinbefore fixed as the date for filing of answers; that such notice shall be given further by a general release of the Commission, distributed to the press and mailed to the mailing list for releases issued under the Public Utility Holding Company Act of 1935; and that further notice be given to all persons by publication of this order in the Federal Register not less than fifteen days prior to the date hereinbefore fixed as the date of hearing; and

It is further ordered, That any person proposing to intervene or to be heard in these proceedings shall file with the Secretary of the Commission on or before the 22nd day of September, 1942 his request or application therefor as provided by Rule XVII of the Rules of Practice of the Commission.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

APPENDIX (1)

Cities Service Power & Light Company

Ownership of Securities of Subsidiary Companies as of Dec. 31, 1941

Name of company and type of security owned	Shares or principal amount outstanding	Shares or principal amount owned
The Alliance Public Service Company Common Stock	25,590.5	25,590.5
First mortgage 5%, 20-year sinking fund bond, due 1957	$438,530	$343,535
Benton County Utilities Corporation Common Stock	300	300
7% cumulative preferred, par value $100	75	75
6% demand income notes payable	$398,121	$398,121
Citizens Gas Fuel Company Common Stock	38,600	9,850

Ownership of Securities of Subsidiary Companies as of Dec. 31, 1941—Con.

Name of company and type of security owned	Shares or principal amount outstanding	Shares or principal amount owned
City Light & Traction Company Common Stock	10,000	10,000
First mortgage 5% sinking fund gold bond, due 1952	$1,395,000	$9,000
6% demand notes payable	$1,257,588	$1,257,588
The Community Traction Company 8% cumulative preferred, par value $10	146,526	145,895
First mortgage 6% gold bond, due 1946	$5,859,000	$5,859,000
6% notes payable	$733,355	$733,355
The Danbury and Bethel Gas & Electric Light Co., common stock	24,000	24,000
7% cumulative preferred, par value $25	16,000	175
6% notes payable	$379,000	$379,000
The Doniphan County Light & Power Co., common stock	100	100
6% demand notes payable	$4,000	$4,000
Durham Public Service Company common stock	7,000	7,000
6% cumulative preferred, par value $100	3,000	1,868
Refunding mortgage gold bond series A 7%, due 1949	$1,250,000	$97,500
Refunding mortgage gold bond series B 5%, due 1956	$476,000	$476,100
East Tennessee Light & Power Company common stock	66,682	66,682
$6 cumulative dividend, no par, voting preferred	17,745	8,380
The Empire District Electric Company common stock	19,429	19,429
6% cumulative preferred, par value $100	73,820	40,802
First mortgage and refunding gold bond 5% series, due 1952	$11,604,000	$1,559,100
Federal Light & Traction Company common stock	524,903	339,639
$6 cumulative preferred, no par value	44,374	1,470
The Knoxville Gas Company comm n stock	3,000	3,000
6% cumulative preferred, par value $100	1,000	355
6% demand income notes payable	$1,168,000	$1,168,000
The Lake Shore Coach Company common stock	50	50
Lawrence County Water, Light & Cold Storage Company common stock	2,500	2,500
8% cumulative preferred, par value $100	1,000	1,000
First refunding mortgage 5% (now 6%) 30 year gold bond, due 1939	$60,000	$60,000
6% demand notes payable	$417,884	$417,884
The Ohio Public Service Company common stock	61,390	61,390
7% cumulative first preferred series A, par value $100	62,648	498
6% series cumulative first preferred, par value $100	58,002	773
5% series cumulative first preferred, par value $100	17,047	812
Public Service Company of Colorado common stock	229,900	229,900
7% cumulative first preferred, par value $100	58,727	31,235
6% cumulative first preferred, par value $100	39,957	7,644
5% cumulative first preferred, par value $100	3,750	1,356

Ownership of Securities of Subsidiary Companies as of Dec. 31, 1941—Con.

Name of company and type of security owned	Shares or principal amount outstanding	Shares or principal amount owned
St. Joseph Railway, Light, Heat & Power Co. common stock	35,000	35,000
5% cumulative preferred, par value $100	18,600	5,544
Serial income notes 4½%, due serially to 1948	$1,535,000	$1,535,000
Spokane Gas & Fuel Company common stock	10,000	10,000
6% cumulative preferred, par value $100	3,000	2,958
First and refunding mortgage 5%, 35-year sinking fund gold bond, due 1944	$1,018,700	$474,600
Demand note payable	$349,000	$349,000
6% demand income note	$93,615	$93,615
Stark Transit, Inc. common stock	1,300	1,300
The Toledo Edison Company common stock	1,387,500	1,365,900
7% cumulative preferred, par value $100	45,563	90
6% cumulative preferred, par value $100	46,837	1
5% cumulative preferred, par value $100	68,964	42

APPENDIX (2)

Cities Service Power & Light Company

Ownership of Securities of Other Companies as of Dec. 31, 1941

Name of company and type of security owned	Shares or principal amount outstanding	Shares or principal amount owned
Fremont Gas Company, first mortgage 6%, 40-year gold bond, due 1950	$176,500	$176,500
The Gas Service Company [1] 6% demand notes payable	$4,700,000	$4,700,000
Kansas City Gas Company [1] 6% cumulative first preferred, par value $100	42,170	8,382.20
6% noncumulative second preferred, par value $100	16,000	128.32
New Brunswick Power Company [1] 7% cumulative redeemable second preferred stock, par value $100	3,500	3,413
Pueblo Gas & Fuel Company first mortgage 5% bond, series A, due 1942	$637,600	$315,520
The Wyandotte County Gas Company [1] 6% cumulative first preferred stock, par value $100	3,000	2,000

[1] Subsidiaries of Cities Service Company.
[2] Subsidiary of Federal Light & Traction Company.

APPENDIX (3)

Ratios of Debt and Preferred Stocks, to Net Utility Plant, Per Books and as Adjusted of Certain Subsidiaries of Cities Service Power & Light Company as of Dec. 31, 1941

Per books	Public Service of Colorado and subsidiaries	Ohio Public Service Co. and subsidiary	Toledo Edison Company	Empire District Electric Co.
Gross Utility Plant	$91,788,026	[1]$53,421,390	$75,702,343	$26,639,105
Less depreciation reserve	11,027,733	4,166,121	7,877,482	2,981,592
Less contributions in aid of construction	708,568			64,202
Net utility plant	80,051,725	49,255,269	67,824,861	23,593,311
Long-term debt	50,900,000	31,599,000	39,707,000	13,158,200
Preferred stock outstanding	10,243,400	15,369,700	16,136,400	7,382,000
Dividend arrears on preferred stock				2,325,330
	61,143,400	46,968,700	55,843,400	22,865,530
Percent depreciation reserve of gross utility plant	12.01	7.80	10.41	11.19
Percent long-term debt of net utility plant	63.58	64.15	58.54	55.77
Percent long-term debt, preferred stock and dividend arrears of net utility plant	76.38	95.36	82.33	96.92
LESS INFLATIONARY ITEMS				
Gross utility plant	91,788,026	53,421,390	75,702,343	26,639,105
Less inflationary items [1]	21,572,419	4,916,881	3,821,810	6,949,037
Gross utility plant, less inflationary items	70,215,607	48,504,509	71,880,533	19,690,068
Less depreciation reserve	11,027,733	4,166,121	7,877,482	2,981,592
Less contributions in aid of construction	708,568			64,202
Net utility plant as adjusted	58,479,308	44,338,388	64,003,051	16,644,274
Percent long-term debt of net utility plant as adjusted	87.04	71.27	62.04	79.06
Percent long-term debt, outstanding preferred stock and dividend arrears, of net utility plant as adjusted	104.56	105.93	87.25	137.38

[1] Represents excess of purchase cost over cost to Cities Service Company, except as to Empire District Electric Company, which represents amount of inflation ($6,624,099) and other plant deductions ($324,938) as determined by the Federal Power Commission.

APPENDIX (4)

Excess of Common Stock Equity Per Books Over Common Stock Equity as Adjusted, of Certain Subsidiaries of Cities Service Power & Light Company, as of Dec. 31, 1941

	Public Service of Colorado and subsidiaries	Ohio Public Service Co. and subsidiary	Toledo Edison Company	Empire District Electric Co.
Utility plant—per books	$91,788,026	$53,421,390	$75,702,343	$26,639,105
Less depreciation reserve	11,027,733	4,166,121	7,877,482	2,981,592
Less contributions in aid of construction	708,568			64,202
Net utility plant	80,051,725	49,255,269	67,824,861	23,593,311
Less plant inflation	21,572,419	4,916,881	3,821,810	6,949,037
Balance	58,479,306	44,338,388	64,003,051	16,644,274
Add other assets less other liabilities (except long-term debt)	[1] 4,732,537	5,635,508	5,380,843	1,182,783
Balance	63,211,843	49,973,896	69,383,894	17,827,057
Less long-term debt outstanding	50,900,000	31,599,000	39,707,000	13,158,200
Net assets less plant inflations	12,311,843	18,374,896	29,676,894	4,668,857
Less preferred stock outstanding (including dividend arrears, if any)	10,243,400	15,369,700	16,136,400	9,707,330
Common stock equity as adjusted	2,068,443	3,005,196	13,540,494	[2] 5,038,473
Common stock equity per books	25,492,862	7,922,077	17,362,304	4,235,894
Excess of common stock equity per books over common stock equity as adjusted	23,424,419	4,916,881	3,821,810	9,274,367
Preferred dividend arrears				2,325,330
Included in other assets are amounts for unamortized debt discount and expense, and/or discount and expense on capital stock of	3,829,980	3,954,649	4,267,694	586,492

[1] An inflation of $1,852,000 included in the investment account has been deducted from other assets.
[2] Indicates red figure.

APPENDIX (5)

Cities Service Power and Light Company

Data Showing the Principal Sources of Income for the Calendar Years 1939 to 1941, Inclusive

Year ended—	Nature of income	Principal sources of income: Public Service of Colorado	The Toledo Edison Co.	The Empire District Electric Co.	The Ohio Public Service Co.	Total income from 4 subsidiaries	Total income received from all sources	Percent of total income received from 4 subsidiaries
Dec. 31, 1939	Common dividends	$1,877,480	$632,794		$1,872,395	$4,382,669	$5,076,485	86.33
	Preferred dividends	271,288	399,552	$244,812	12,184	927,836	1,049,839	88.38
	Interest	174,196	180,950	92,455		447,601	1,401,404	31.94
	Total	2,322,964	[1] 1,213,296	337,267	1,884,579	5,758,106	7,527,728	76.49
Dec. 31, 1940	Common dividends	2,896,740			1,657,530	4,554,270	6,244,295	72.93
	Preferred dividends	271,288	401,430	244,812	12,184	929,714	1,272,436	73.07
	Interest		127,367	92,437		219,804	[1] 1,060,147	20.73
	Total	3,168,028	[1] 528,797	337,249	1,669,714	5,703,788	8,576,878	66.50
Dec. 31, 1941	Common dividends	1,620,795	873,625		966,893	3,461,313	4,890,000	70.78
	Preferred dividends	271,288	846	306,015	12,184	590,333	784,729	75.23
	Interest			92,437		92,437	737,527	12.53
	Total	1,892,083	874,471	398,452	979,077	4,144,083	6,412,256	64.63
Total for years 1939 to 1941, inclusive.	Common dividends	6,395,015	1,506,419		4,496,818	12,398,252	16,210,780	76.48
	Preferred dividends	813,864	801,828	795,639	36,552	2,447,883	3,107,004	78.79
	Interest	174,196	308,317	277,329		759,842	3,199,078	23.75
Total		7,383,075	2,616,564	1,072,968	4,533,370	15,605,977	22,516,862	69.31

[1] Prior to Dec. 31, 1940, Toledo Edison Company was a subsidiary of Toledo Light & Power Co. which in turn was a wholly owned subsidiary of Cities Service Power & Light Co. On Dec. 31, 1940, Cities Service Power & Light Co. acquired all of its assets and Toledo Light & Power Co. was dissolved. The above income for the years 1939 and 1940 reported as received from Toledo Edison Company represents amounts received from Toledo Light & Power Co. and not from Toledo Edison. However, Toledo Edison's payments to Toledo Light & Power for the years 1939 and 1940 exceeded the amounts paid by Toledo Light & Power Co. to Cities Service Power & Light Co.

[F. R. Doc. 42-8799; Filed, September 4, 1942; 2:25 p. m.]

[File No. 54-58]

ELECTRIC BOND AND SHARE COMPANY

NOTICE OF FILING OF APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 4th day of September, A. D. 1942.

Notice is hereby given that Electric Bond and Share Company, a registered holding company under the Public Utility Holding Company Act of 1935, has filed an application designating section 11 (e) of the Act as applicable thereto for approval of a plan to enable it to comply with the provisions of section 11 (b) of the Act.

All interested parties are referred to said document, which is on file in the office of the Commission, for a statement of the transaction therein proposed, which is summarized as follows:

Said application states that Electric Bond and Share Company is the owner of 846,985 shares of the common stock of American Gas and Electric Company, a registered holding company under the Act and a subsidiary of Electric Bond and Share Company, and that the applicant now has outstanding 1,059,325 shares of $6 Preferred Stock and 269,600 shares of $5 Preferred Stock. The application also states that Electric Bond and Share Company now proposes to divest itself of its interest in American Gas and Electric Company and to use additional cash in retirement of its outstanding preferred stocks.

It is stated in the plan submitted with said application that Electric Bond and Share Company proposes to offer, for each share of its preferred stocks, common stock of American Gas and Electric Company plus cash from its treasury or from the sale of bonds in its portfolio. The plan, as filed, does not set forth the basis of such exchange offer, instead, the applicant states that the terms thereof will be submitted by amendment and will be predicated upon the market value of the common stock of American Gas and Electric Company and of the preferred stocks of Electric Bond and Share Company and upon other applicable considerations at the time such amendment to the plan is filed. The plan, as submitted, contemplates that the exchange offer will be open for a specified period (not presently stated), and that such offer will provide that if the number of shares of common stock of American Gas and Electric Company owned by Electric Bond and Share Company (846,985 shares) is not sufficient to take up all shares of its preferred stocks offered for exchange, Electric Bond and Share Company will apply its holdings of such common stock and cash to the acquisition upon such

basis (to be furnished by amendment, as aforesaid) of a substantially pro rata portion of the shares of those preferred stockholders who desire to take advantage of such exchange offer. The applicant also states that in order to avoid the acquisition of fractional shares of its preferred stocks, the plan will provide that all shares of preferred stocks offered for exchange are to be subject to acquisition in whole or in any full share part.

Upon receipt of the proposed amendments to said plan in respect of the basis of such exchange offer and other material data, public notice of the contents thereof will be given and a hearing upon said plan, as supplemented and amended, will be ordered.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 42-8842; Filed, September 7, 1942; 10:26 a. m.]

[File No. 70-593, 70-594]

BELLOWS FALLS HYDRO-ELECTRIC CORP. AND OLCOTT FALLS CO.

NOTICE OF FILING AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 4th day of September 1942.

In the matter of Bellows Falls Hydro-Electric Corporation, File No. 70-593, and Olcott Falls Company, File No. 70-594.

Notice is hereby given that applications have been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by Olcott Falls Company, a subsidiary company of Joseph B. Ely, C. Brooks Stevens and Henry G. Wells, As Trustee under a Trust Agreement dated January 31, 1939, a registered holding company, and by Bellows Falls Hydro-Electric Corporation, a subsidiary of New England Power Association, a registered holding company. All interested persons are referred to said applications, which are on file in the office of this Commission, for a statement of transactions therein proposed which are summarized as follows:

Olcott Falls Company proposes to sell and Bellows Falls Hydro-Electric Corporation proposes to purchase all of the physical properties and franchises of Olcott Falls Company which include the so-called Wilder Power Development at Hartford, Vermont and Lebanon, New Hampshire, on the Connecticut River consisting of certain facilities for the production and transmission of electric energy. The purchase price is to be $200,000 which is payable in cash. In connection with the proposed purchase, Bellows Falls Hydro-Electric Corporation will assume all the obligations of Olcott Falls Company under and in connection with a contract of October 1, 1937 for the supply of power to Granite State Electric Company and to Bellows Falls Hydro-Electric Corporation, such assumption to be on terms creating a novation with Granite State Electric Company and Bellows Falls Hydro-Electric Corporation remaining as the only parties to said contract.

It appearing to the Commission that it is appropriate in the public interest and in the interest of investors and consumers that a hearing be held with respect to said matters and that said applications shall not be granted except pursuant to further order of the Commission;

It is ordered, That a hearing on such matters under the applicable provisions of said Act and the Rules and Regulations of the Commission thereunder be held on September 24, 1942, at 10:00 o'clock A.M., E.W.T., at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania. On such day the hearing clerk in Room 318 will advise as to the room where such hearing will be held. At such hearing cause shall be shown why such applications shall be granted.

Notice is hereby given of said hearing to the above named applicants and to all interested parties, said notice to be given to said applicants by registered mail and to all other persons by publication in the FEDERAL REGISTER.

It is further ordered, That Willis E. Monty, or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The officer so designated to preside at such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 42-8843; Filed, September 7, 1942; 10:26 a. m.]

[File No. 70-597]

AMERICAN UTILITIES SERVICE CORPORATION

NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 5th day of September, 1942.

Notice is hereby given that a declaration or application (or both) has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by American Utilities Service Corporation, a registered holding company; and

Notice is further given that any interested person may, not later than September 22, 1942 at 5:30 p. m., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request and the nature of his interest, or may request that he be notified if the Commission should order a hearing thereon. At any time thereafter such declaration or application, as filed or as amended, may become effective or may be granted, as provided in Rule U-23 of the Rules and Regulations promulgated pursuant to said Act, or the Commission may exempt such transactions as provided in Rules U-20 (a) and U-100 thereof. Any such requests should be addressed: Secretary, Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania.

All interested persons are referred to said declaration or application, which is on file in the office of this Commission, for a statement of the transaction therein proposed, which is summarized below:

American proposes to acquire prior to December 31, 1942 a principal amount of not exceeding $250,000 of its Collateral Trust 6% Bonds, Series A through Continental Illinois Bank and Trust Company, Indenture Trustee, which will invite tenders pursuant to the indenture. $178,000 of the funds to be used for such redemption will be obtained by American from the pending sale of its investment in Lexington Water Company. The remaining funds will be taken from the release moneys held by the Trustee.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 42-8844; Filed, September 7, 1942; 10:26 a. m.]

[File No. 59-52]

NIAGARA HUDSON POWER CORPORATION AND ITS SUBSIDIARY COMPANIES, RESPONDENTS

ORDER EXTENDING TIME FOR FILING OF ANSWERS AND DATE FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 4th day of September, 1942.

The Commission having, on the 28th day of August, 1942, issued its Notice of and Order for Hearing, pursuant to sections 11 (b) (2), 12 (c), 12 (f), 15 (f) and 20 (a) of the Public Utility Holding Company Act of 1935, in respect of the above-entitled matter; and

Such Order having provided that the Respondents, Niagara Hudson Power Corporation and its subsidiaries, and, more particularly, Niagara Hudson Power Corporation, Buffalo, Niagara and Eastern Power Corporation, Niagara Falls Power Company, Canadian Niagara Power Company, Ltd., Central New York Power Corporation, Northern Development Corporation, and New York Power and Light Corporation, should file with the Secretary of the Commission, on or before September 15, 1942, answers to the allegations contained in said Notice and Order, and having further provided that a hearing should be held on such matters at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania, at ten o'clock in the forenoon of October 1, 1942; and

The Commission having, on the 3rd day of September, 1942, received a request of the Respondents, by letter, that the time within which answers should be filed by the Respondents be extended

to October 1, 1942, and that the date for hearing be extended to October 15, 1942; and

The Commission having considered such request for extension and finding that the same is not unreasonable and that the granting of such request would not be detrimental to the public interest or the interests of investors or consumers;

It is ordered, That the time within which answers shall be filed by the Respondents herein be and hereby is extended to October 1, 1942.

It is further ordered, That the hearing shall be held in this matter on October 15, 1942, at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania, at ten o'clock in the forenoon of that day.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 42-8845; Filed, September 7, 1942; 10:27 a. m.]

[File No. 59-6]

THE UNITED GAS IMPROVEMENT COMPANY AND ITS SUBSIDIARY COMPANIES, RESPONDENTS

ORDER RECONVENING HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 3rd day of September 1942.

The Commission, on April 9, 1941, in connection with the above-entitled proceedings, having issued its order directing the Respondents to show cause at a reconvened hearing to be held on April 15, 1941 why the Commission should not forthwith issue an order, pursuant to section 11 (b) (1) of the Public Utility Holding Company Act of 1935, requiring, among other things, the divestment by The United Gas Improvement Company of its direct or indirect interests in Public Service Corporation of New Jersey or the properties owned or operated thereby; and

The Commission, at hearings held on April 15, 1941 and postponed to April 29, 1941, having heard, among other things, various statements and contentions concerning the status of Public Service Corporation of New Jersey in the above-entitled proceedings and with respect to the retention by The United Gas Improvement Company of its interest in such corporation, and, on April 29, 1941, having reserved, among other things, for later determination the procedure to be followed with respect thereto; and

It appearing to the Commission that it is appropriate and in the public interest and the interests of investors and consumers that the hearing in this matter be reconvened for the purpose of affording an opportunity to Respondents and any interested persons to present any relevant evidence, contentions and supporting arguments as to the question of the retention by The United Gas Improvement Company of its direct or indirect ownership, control or holdings of securities of Public Service Corporation of New Jersey;

Now therefore it is ordered, That the hearing in the above-entitled proceedings be reconvened on September 22, 1942, at 10 o'clock in the forenoon of that day, at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania. On that day, the hearing-room clerk in Room 318 will inform the parties as to the exact room in which said hearing will be held. At such hearing, an opportunity will be afforded all interested parties or persons to present any relevant evidence, contentions or supporting arguments as to the matter in issue.

It is further ordered, That the Secretary of the Commission shall serve notice of the reconvened hearing aforesaid by mailing a copy of this order by registered mail to the agents for service duly designated by The United Gas Improvement Company and its subsidiaries, Respondents, and to Public Service Corporation of New Jersey, not less than ten days prior to the date of the reconvened hearing; and that notice of this order and of said reconvened hearing is hereby given to any other persons whose participation in such proceeding may be in the public interest or for the protection of investors and consumers; that such notice shall be given by a general release of the Commission distributed to the press and mailed to the mailing list for releases issued under the Public Utility Holding Company Act of 1935, and that such notice shall be given to all persons by publication of this order in the FEDERAL REGISTER.

It is further ordered, That any person proposing to intervene or to be heard in this proceeding shall file with the Secretary of the Commission, on or before September 21, 1942, his request or application therefor as provided by Rule XVII of the Commission's Rules of Practice.

It is further ordered, That, without limiting the scope of the issues presented by this proceeding, some of which have heretofore been raised in previous hearings, attention will be directed at the reconvened hearing to a consideration of the following matter and question: Whether the Commission should immediately enter an order, pursuant to section 11 (b) (1) of the Public Utility Holding Company Act of 1935, directing The United Gas Improvement Company to sever its relationship with Public Service Corporation of New Jersey by disposing of its direct or indirect ownership, control or holdings of securities issued by Public Service Corporation of New Jersey.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 42-8846; Filed, September 7, 1942; 10:27 a. m.]

[File No. 70-283]

AMERICAN UTILITIES CORP., ET AL.

ORDER GRANTING EXTENSION OF TIME

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 4th day of September 1942.

In the Matter of American Utilities Service Corporation, Louisiana Public Service Corporation, and Wisconsin Southern Gas Company.

The Commission having permitted to become effective by order dated April 18, 1941, the applications or declarations filed by American Utilities Service Corporation (American), Louisiana Public Service Corporation (Louisiana) and Wisconsin Southern Gas Company (Wisconsin) pursuant to the Public Utility Holding Company Act of 1935 with respect to the issue by Louisiana of 750 shares of its common stock and the acquisition thereof by American for $30,000, the issue by Wisconsin of 500 shares of its common stock and the acquisition thereof by American for $50,000, the acquistion by American of 250 shares of the common stock of Independence Water Works Company for $332,900 and the acquisition by American of 2,000 shares of the common stock of the Suburban Water Company of Allegheny County, Pennsylvania for $100,000 (all of the companies whose stocks were to be so acquired being subsidiaries of American), and the pledge of all such shares by American with Continental Illinois National Bank and Trust Company of Chicago, as Trustee under the indenture securing its Collateral Trust 6% Bonds, Series A; and

All of said transactions other than the issue and acquisition of the Wisconsin stock having been carried out within 60 days after said order of April 18, 1941 as provided by Rule U-9 of the Commission's Rules under the Act then in effect; but American and Wisconsin not having carried out their transactions within such 60 day period because Wisconsin did not during that period have an active need for the proceeds to be received from such proposed sale of stock; and

American and Wisconsin having filed with this Commission a request for an extension of 60 days from the date hereof of the time within which their said transactions may be consummated, stating that Wisconsin now wishes to carry out such sale so as to have the proceeds available for additions and betterments to its properties as provided in their original applications or declarations and that American now has available funds to purchase such stocks and that it is now contemplated that said transactions will be consummated within a short time; and it appearing appropriate that such request be granted;

It is ordered that the time within which said transactions may be consummated under the Commission's order of April 18, 1941 is hereby extended for 60 days from the date hereof.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 42-8847; Filed, September 7, 1942; 10:27 a. m.]

UNITED STATES MARITIME COMMISSION.

[General Order No. 54 Revised]

DELEGATION OF AUTHORITY TO GUARANTEE LOANS

Whereas, the Commission, pursuant to the provisions of section 1 of Executive Order 9112, dated March 26, 1942, is authorized, without regard to the provisions of law relating to the making, performance, amendment or modification of contracts, (a) to enter into contracts with any Federal Reserve Bank, the Reconstruction Finance Corporation or with any other financing institution guaranteeing such Reserve Bank, Reconstruction Finance Corporation or other financing institution against loss of principal or interest in connection with loans which may be made for the purpose of financing any contractor, subcontractor or others engaged in any business or operation which is deemed by the Commission to be necessary, appropriate or convenient for the prosecution of the war, and to pay out funds in accordance with the terms of any such contract so entered into, and (b) to enter into contracts to make, or to participate with any Federal Reserve Bank, the Reconstruction Finance Corporation, or other financing institution in making loans, discounts or advances, or commitments in connection therewith, for the purpose of financing any contractor, subcontractor or others engaged in any business or operation which is deemed by the Commission to be necessary, appropriate or convenient for the prosecution of the war, and to pay out funds in accordance with the terms of any such contract so entered into;

Whereas pursuant to section 2 of said Executive Order, it is provided that the authority conferred by section 1 thereof may be exercised by the Commission or may also be exercised in its discretion and by its direction through any officer or officers of the Commission, and that in the discretion and by the direction of the Commission, power may be conferred upon any such officer or officers to make further delegations of such powers within the Commission; and

Whereas, in order to facilitate the exercise of the Commission's powers pursuant to Executive Order 9112, it is necessary that the Commission delegate its authority thereunder to appropriate officers of the Commission for the performance and functions of the activities authorized by said Executive Order.

(1) Authority is hereby delegated to the Director and the Assistant Directors of Finance to exercise on behalf of the Commission the powers conferred by Executive Order 9112 and to make such further and other delegations of the said authority to other officers and employees of the Commission as they shall deem necessary and proper with respect to guarantees not in excess of one hundred thousand dollars ($100,000.00) for any one loan: *Provided*, That the approval of the Commission shall be first had and obtained as to (a) guarantees of loans in excess of two hundred and fifty thousand dollars ($250,000.00); (b) guarantees of more than ninety percentum (90%) of the amount of any loan; and (c) purchase orders and all other contracts of whatsoever type providing for an advance payment by the Commission.

(2) All acts performed by the Director of Finance or Assistant Directors of Finance in accordance with the intent and purpose of said Executive Order 9112 are hereby ratified and approved.

By Order of the United States Maritime Commission.

[SEAL] W. C. PEET, Jr.,
Secretary.

AUGUST 25, 1942.

[F. R. Doc. 42-8839; Filed September 5, 1942; 11:50 a. m.]

WAR MANPOWER COMMISSION.

EMPLOYMENT STABILIZATION IN NON-FERROUS METALS AND LUMBERING ACTIVITIES

By virtue of the authority vested in me as Chairman of the War Manpower Commission by Executive Order No. 9139[1] establishing the War Manpower Commission, and having found, after consultation with members of management and labor in the affected industries, and after consultation with affected Federal departments and agencies, that immediate effectuation of the War Manpower Commission's policy to prevent pirating of war workers, issued July 16, 1942,[2] is necessary to alleviate serious labor shortages which imperil the nation's war production program, I do hereby give notice that:

I. The plan set forth in paragraph IV hereof, designed to prevent unnecessary migration of workers, and formulated pursuant to and in accordance with the War Manpower Commission's policy to prevent pirating of war workers and approved procedures in implementation thereof, is hereby approved, and shall constitute an approved plan for all purposes of the said policy.

II. The following areas, activities, and occupations constitute, respectively, critical labor areas, essential war production activities, and critical occupations, for all purposes of the War Manpower Commission's policy to prevent pirating of war workers and of the approved plan set forth in paragraph IV hereof.

(a) The area comprising the States of Arizona, Colorado, Idaho, Montana, Utah, Wyoming, California, Nevada, Oregon, Washington, New Mexico, and Texas, constitutes a "critical labor area."

(b) All non-ferrous metal mining, milling, smelting and refining, and all logging and lumbering industries and activities carried on within such critical labor area constitute "essential war production activities."

(c) All production and maintenance occupations in the industries and activities designated as "essential war production activities" in paragraph (b) above, constitute "critical occupations."

III. The aforementioned policy and approved plan shall become operative on and after September 7, 1942, and shall remain operative until publication by the Chairman of the War Manpower Commission of appropriate notice to the contrary.

IV. Plan to prevent unnecessary migration of certain war workers.

(a) After the effective date of this plan, no worker engaged in an essential war production activity shall seek employment, whether essential or non-essential to war production, without first obtaining from a designated representative of the United States Employment Service a certificate of separation.

(b) No employer in the critical labor area, whether conducting activities essential or non-essential to war production, shall employ any workers who, after the effective date of this plan, had been engaged in a critical occupation in an essential war production activity within the designated critical labor area except upon presentation of a certificate of separation issued by the United States Employment Service.

(c) Each employer conducting an essential war production activity in the designated critical labor area shall, when work is available, refrain from separating any worker, except in cases of gross misconduct, without the approval of a designated representative of the United States Employment Service. Such approval shall be granted only when continued employment of the worker in his present job will no longer contribute to the war production program.

(d) Any worker applying for employment with an employer engaged in an essential war production activity in the designated critical labor area who feels that he is being denied employment for some reason other than his lack of qualification and physical fitness for performing the job for which he is an applicant, may request a designated representative of the United States Employment Service to intercede in his behalf. The representative of the United States Employment Service will investigate the facts, and if he concludes that the worker is being refused employment on grounds other than lack of qualification or physical fitness for performing the job, he shall endeavor to persuade the employer to reconsider his decision and employ the worker. If an adjustment satisfactory to the worker is not achieved, the case shall be referred to the Area War Manpower Committee for appropriate action.

(e) Any worker engaged in a critical occupation in an essential war production activity within a critical labor area will upon request, be given a certificate of separation by the United States Employment Service if the circumstances are such that his separation is in the best interests of the war effort, as well as the individual concerned, or if a refusal to grant such separation certificate would result in hardship and injustice to the individual.

[1] 7 F.R. 2919.
[2] 7 F.R. 5500.

The following circumstances are illustrative of what may be considered good ground for separation:

(1) When the worker is competent to perform higher skilled work than his current employer is able or willing to provide.

(2) When the worker is employed for a substantial period at less than full time.

(3) When the distance between the worker's residence and the place of employment is unreasonably great, considering restrictions on the use of gasoline and tires and the load on transportation facilities.

(4) When the worker has compelling personal reasons for wishing to change.

(5) When the worker is employed at wages or under working conditions substantially less favorable than those prevailing in the community for the kind of work on which he is employed.

(f) Any worker or employer, or group of workers or employers, dissatisfied with any act or failure to act pursuant to this plan shall be given a fair opportunity to present his or their case to the Area War Manpower Committee. Such committee shall make recommendations concerning such cases as well as other matters pertinent to the carrying out of this plan in its area to the War Manpower Area Director for appropriate action. The Chairman of the War Manpower Commission shall prescribe rules, regulations and procedures for the carrying out of the responsibilities of area committees under this policy, including procedures for the review of the recommendations of the area committees, by regional manpower committees and by the National Management-Labor Policy Committee. Upon request of the employers, the employee, or the union, the representative of the United States Employment Service shall present to such committee his reasons for having granted a certificate of separation.

(g) Nothing contained in this plan shall be construed to restrict any employee from seeking advice, aid or representation from the union of which the employee is a member at any step of the operation of the plan or the union to intervene in behalf of the employee.

(h) Nothing contained in this plan shall change, modify or restrict any collective agreement existing between the bargaining agency of the employees and their employers.

(i) At the call of the Chairman of the War Manpower Commission, but within three months after the effective date of this plan, a conference of representatives of management and labor shall be called for the purpose of considering the plan in the light of the experience thus gained. Such modifications or alterations as may be required to meet the problem of war production in the essential activities designated and to avoid injustices and hardships to employers and employees shall be recommended at that time.

V. All persons are hereby enjoined and directed to observe strictly all provisions of the War Manpower Commission's policy to prevent pirating of war workers, all provisions of the approved plan set forth in paragraph IV hereof, and all provisions of regulations and procedures issued by the War Manpower Commission in implementation of such policy and plan.

All departments and agencies of the Federal Government are hereby directed to take all steps which may be necessary or appropriate to effectuate these provisions and to insure their observance.

PAUL V. MCNUTT,
Chairman.

SEPTEMBER 7, 1942.

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